

# House Amendment to the Senate Amendment to H.R. 244 – Fiscal Year 2017 Omnibus (Rep. Frelinghuysen, R-NJ)

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# FLOOR SCHEDULE:

The House Amendment to the Senate Amendment to H.R. 244 (the Omnibus) is expected to be considered on April 28, 2017 under a <u>rule</u>.

# **CONTENTS:**

- 1. Summary
- 2. Cost
- 3. Conservative Views
- 4. Detailed Summary and Analysis
  - a. Agriculture
  - b. Commerce, Justice, Science
  - c. Defense
  - d. Energy and Water
  - e. Financial Services, General Government
  - f. Homeland
  - g. Interior
  - h. Legislative Branch
  - i. Labor HHS
  - j. State Foreign Operations
  - k. Transportation Housing and Urban Development
  - l. Military Construction
  - m. Other Matters
  - n. Intelligence Authorization
  - o. Senate amendment to H.R. 244
- 5. Outside Groups
- 6. Committee Action
- 7. Administration Position

#### **TOPLINE SUMMARY:**

The House Amendment to the Senate Amendment to H.R. 244 (the Omnibus) would provide appropriations for the remainder of Fiscal Year 2017 and make several other changes to current laws.

The Omnibus includes provisions related to Puerto Rico's Medicaid program, the health care plan for the UMWA, and the reauthorization of the TANF program. It would also include the FY2017 Intelligence Authorization and the Senate amendment to H.R. 244.

The text of the Omnibus can be found <a href="here">here</a>, and the explanatory statements can be found <a href="here">here</a>.

#### COST:

The Omnibus would provide an annualized net grand total of more than \$1.188 trillion in discretionary spending. This includes an annualized total of \$1.070 trillion in base discretionary appropriations for Fiscal Year 2017, including \$551 billion for base Defense and \$519 billion for base Non-Defense spending.

Divisions M of the bill also includes \$254 million in additional mandatory spending over the FY 2017 - 2027 period and 5 million in revenue increases, for a net total increase in the deficit of \$249 million due to these changes.

A report from the Congressional Budget Office (CBO) can be found <a href="here">here</a>.

The bill includes \$118.826 billion in discretionary spending that would be exempt from the spending caps, including \$82.932 billion for Defense OCO/GWOT, \$20.785 billion for Non-Defense (State Department) OCO, \$8.129 billion for the Disaster Relief category, \$4.148 billion for emergency designated funds, \$1.96 billion for Program Integrity (Continuing Disability Reviews), and \$872 million in funding for accounts established by the 21st Century Cures Act.



Total FY 2017 Discretionary Spending					
(Budget Authority on Annualiz	ed Basis in Billions of Dollars)				
Base Appropriations	1,069.599				
Base Defense	551.068				
Base Non-Defense	518.531				
Defense OCO/GWOT - Omni	62.405				
Defense OCO/GWOT - Supplemental - Omni Title X	14.752				
Defense OCO/GWOT - Supplemental - Dec. CR	5.775				
Non-Defense OCO - Omni	16.485				
Non-Defense OCO - Supplemental - Dec. CR	4.300				
Di a Dili Co	( 742				
Disaster Relief - Omni	6.713				
Disaster Relief - Dec. CR	1.416				
Emergency - Omni	1.446				
Emergency - Dec. CR	2.702				
Emergency Dec. dit	2.7 02				
Program Integrity	1.960				
21st Century Cures	0.872				
Total Cap-Exempt Spending	118.826				
Total Cap-Exempt Spending	110.020				
Net Total Spending	1,188.425				

The bill also includes \$20.393 billion in changes in mandatory programs (CHIMPS) that allows higher levels of discretionary spending. Under Sec. 3103 of S. Con. Res. 11, the FY 2016 Concurrent Resolution on the Budget, it shall not be in order in the House of Representatives to consider a bill making appropriations for that include CHIMPS exceeding \$19.1 billion in FY 2017.

	Discretionary Spending Comparisons (Budget Authority on Annualized Basis in Billions of Dollars)								
	Base Defense	Defense OCO	Total Defense	Base Non- Defense	Non- Defense OCO	Total  Non- Defense	Total, Base	Total, OCO	Total, Base + OCO <sup>1</sup>
BCA FY 2017 Caps	536.068	2	536.068	503.531	2	503.531	1,039.599	2	1,039.599
BBA15 FY 2017 Caps (current law)	551.068	58.798	609.866	518.531	14.895	533.426	1,069.599	73.693	1,143.292
December CR (current funding)	548.122	65.147	613.269	521.477	19.195	540.672	1,069.599	84.342	1,153.941
President's FY 2017 Request	575.988	69.652	645.640	503.596	3	503.596	1,079.584	69.652³	1,149.236
FY 2017 Omnibus	551.068	82.932	634	518.531	20.785	539.316	1069.599	103.717	1173.316
BCA FY 2018 Caps (current law)	549.039	2	549.039	515.393	2	515.393	1,064.432	2	1,064.432
Omnibus vs. BBA15 Caps	0	+ 24.134	+ 24.134	0	+ 5.89	+ 5.89	0	+ 30.024	+ 30.024
Omnibus vs President's Request	- 24.92	+ 13.28	- 11.64	+ 14.935	+ 20.785	+ 35.72	- 9.985	+ 34.065	+ 24.08

<sup>1.</sup> The Total, Base + OCO column does not include other categories of cap-exempt discretionary spending, such as a Disaster Relief, Emergency, Program Integrity, and 21st Century Cures. The December CR included \$8.129 billion for Disaster Relief, \$2.702 billion for Emergency, \$1.523 billion for Program integrity, and \$872 million for 21st Century Cures funding, for a grand total of \$1.167 trillion in discretionary spending. The Budget Control Act (BCA), Bipartisan budget Act of 2016 (BBA15), and President Trump's FY 2017 Appropriations Request did not specify levels for these other cap-exempt categories.



<sup>2.</sup> The BCA did not specify OCO levels.

<sup>3.</sup> President Trump's FY 2017 Appropriations Request submitted on March 16, 2017, did not specify Non-Defense OCO levels.

The bill would provide an annualized total of \$634 billion in funding for Defense, including \$551.068 billion for base Defense and a total of \$82.932 billion for cap-exempt Defense Overseas Contingency Operations (OCO) / Global War on Terror (GWOT). These Defense OCO funds include \$62.405 billion in Defense OCO funds provided by the Omnibus, \$14.752 in additional supplemental OCO appropriations responding to the president's request, and \$5.775 billion in supplemental OCO appropriations from the December CR.

The bill includes \$16.485 billion in OCO appropriations for the Department of State and USAID. These supplemental funds are in addition to the \$4.3 billion in Non-Defense OCO funds provided by the December CR, bringing total Non-Defense OCO to \$20.785 billion in FY 2017.

The bill includes \$6.7 billion in funding for cap-exempt disaster relief programs. In total, the disaster relief category would be provided \$8.1 billion in FY 2017.

The bill would provide a total of \$1.446 billion in additional funding to respond to flooding and other recent natural disasters. These funds are designated as for emergency, exempting them from the discretionary spending caps. In total, the emergency category would be provided \$4.148 billion in FY 2017.

The bill would provide total appropriations of \$872 million pursuant to authorizations in <u>H.R. 34</u>, the <u>21st Century Cures Act</u>. The Cures Act directs that the discretionary spending for these purposes are not to be scored by the CBO at the time of the appropriation. This means that the \$827 million in discretionary spending would be exempt from all budgetary enforcement, including the Budget Control Act (BCA) caps.



FY 2017 Base Appropriations Comparison (in millions of Dollars)						
	Original House Marks	Final FY 2017 Appropriations	Total Difference			
Agriculture	21,299	20,877	-422			
Commerce, Justice, Science	56,008	56,555	547			
Defense	516,115	516,115	0			
Energy and Water	37,104	37,771	667			
Financial Services	21,735	21,515	-220			
Homeland	41,050	42,408	1,358			
Interior	32,205	32,280	75			
Labor, HHS, Education	161,438	161,025	-413			
Legislative	3,482*	4,440*	NA*			
Military Construction, VA	82,326	82,376	50			
State	37,185	36,586	-599			
Transportation, HUD	58,190	57,651	-539			

<sup>\*</sup>The House mark does not include funding for Senate-only items, which are included in the final FY2017 Appropriations value, thus a comparison in values is not meaningful.

# **CONSERVATIVE VIEWS:**

Some conservatives will be pleased that the bill provides reprioritized funding for many programs and may allocate less funding to liberal priorities than during the Obama administration.

Some conservatives will be pleased the bill includes full-year defense funding and includes an increase in defense funding that is not matched dollar-for-dollar with domestic spending.

Some conservatives will be pleased the bill continues current-law pro-life protections.

Some conservatives will be pleased that the bill does not include funding for Obamacare cost sharing reductions.

# **Bad Process:**



RSC Chairman Mark Walker said in a statement after passage of the CR in December that, "The approach is just as important as the policy. In the next Congress, we have to dedicate ourselves to being proactive, rather than reactive. It should be our aim to set clear objectives early and achieve defined successes. The American people have entrusted us to change Washington. It is unacceptable for us not to deliver on the trust the voters have invested in us."

Many conservatives may be concerned that the process to complete action on the FY 2017 appropriations bills has been the same closed-door process that has resulted in bad omnibus spending deals in previous years.

# **Bad Policy**:

Many conservatives may believe that this Omnibus is fiscally irresponsible. The base appropriations are written to the \$1.070 trillion spending level permitted under the <u>Bipartisan Budget Act of 2015 (BBA15</u>), which was supported by every Democrat but <u>only 79 Republicans</u> in the House. President Trump proposed to reduce the Non-Defense spending level by \$15 billion, but these savings were not included. Further, the Omnibus includes \$249 million in new mandatory spending that is not offset and is exempt from PAYGO enforcement.

The Omnibus includes a number policies that would concern many conservatives, including:

- Additional extraordinary federal funding for Puerto Rico;
- Additional extraordinary federal funding for the miners' union retiree health plan;
- Continues to allow funding for Obamacare;
- Continues to allow taxpayer funds to be provided to Planned Parenthood and continues Title X Family Planning funding;
- Continues to allow President Obama's illegal DACA amnesty executive actions;
- An increase in renewable energy subsidies;
- Continues to fund local transit programs;
- Continues to fund hundreds of billions of dollars for unauthorized programs.

Further, the Omnibus *does not* include a number of policies that many conservatives would expect to be signed into law under a unified Republican government, including:

- Requested funding for a physical barrier on the southern border;
- Provisions to roll back harmful regulations such as the Clean Water Act navigable waters regulation, the Fiduciary Rule, Overtime Rule, and the Clean Power Plan;
- Funding to complete licensing of Yucca Mountain;
- Provisions preventing heavy water purchases from Iran;
- Prohibiting diversion of DoD resources to fund renewable energy pet projects;
- Prohibiting enforcement of the light bulb ban;
- Provisions placing the Consumer Financial Protection Bureau under control of Congress and the appropriations process;
- Reinstatement of the Mexico City Policy.

Further, many conservatives may be concerned that the bill fails to achieve the Trump administration's

conservative priorities. According to the Statement of Administration Policy:

"The Administration is also concerned that the Congress did not exercise fiscal restraint, as it failed to include responsible reductions to non-defense discretionary spending to offset higher spending elsewhere.

"The Administration is also disappointed that this bill provides almost \$300 million for Puerto Rico's Medicaid program without underlying reforms to Puerto Rico's struggling healthcare system, which, like so many aspects of the United States healthcare system, has been badly damaged by the Patient Protection and Affordable Care Act..."

#### **Bad Politics:**

In November, the American people voted to Drain the Swamp and for a unified Republican Government. Instead of getting the American people a win by living up to our promises in the president's first 100 days, the first major legislation President Trump will sign into law has generated these types of headlines:

- Eight Ways Trump Got Rolled In His First Budget Negotiation
- How The Omnibus Became A Democratic Wish List
- Democrats Confident They Can Block Trump's Agenda After Spending-bill Win
- The Omnibust Is Far Worse On Border Security Than You Think
- The Gop Has Pinned Their Hopes On A Long-shot Health Bill After Losing Big On Government Spending
- <u>In Omnibus, Trump Bested By Fellow New Yorkers</u>
- Betrayal Beyond Belief: Dem Priorities Funded; Trump's Scuttled
- Spending Bill Ignores Trump's Energy Priorities
- Spending Bill Language Omits Border Wall Funding, Sanctuary Cities Crackdown
- First Trump-era Spending Law Funds Planned Parenthood, Not Border Wall
- Dem: Trump Crying Shutdown Because He Lost
- Omnibus Bill Reflects Democrats' Values To Protect Health Care, Environment And Education
- **Expand the Size and Scope of the Federal Government?** Yes, this bill would increase spending overall, and allow for spending above the statutory caps established by the Budget Control Act of 2011. The bill would also exempt new mandatory spending from PAYGO and sequestration enforcement.
- Encroach into State or Local Authority? Some conservatives may believe that many of the programs and activities funded under this Omnibus would be more appropriately handled by state and local governments, or the private sector.
- Delegate Any Legislative Authority to the Executive Branch? No.
- Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits? No, according to the <u>explanatory statement</u>. The Explanatory Statement for Division F Homeland Security <u>includes language</u> instructing the Coast Guard to assign "sufficient industrial work" to the Coast Guard Yard, located at Curtis Bay, Maryland.

#### **DETAILED SUMMARY AND ANALYSIS:**



Allowing the Executive Branch to Unilaterally Increase Spending: Section 7 of the Omnibus would provide for an upward adjustment to the spending caps if OMB finds that the level of spending provided by the Omnibus would exceed the allowed amounts due to estimating differences between the OMB and the CBO. The amount of the adjustment would be limited to no more than 0.2 percent of the total spending limits (about \$2 billion). Since 2014, similar provisions in Omnibus appropriations bills have increased spending by \$370 million.

Adjustments Under Section 7 of Omnibus Appropriations Bills due to Estimating Differences						
Non-Defense Defense						
FY 2016	154,000,000	0				
FY 2015	0	34,000,000				
FY 2014	0	182,000,000				
Total	154 Million	216 Million				

# <u>Division A: Agriculture, Rural Development, Food and Drug, and Related Agencies Appropriations Act, 2017</u>

The omnibus would include a total of \$153.908 billion in funding for programs covered by the Agriculture, Rural Development, Food and Drug, and Related Agencies bill. This is \$12.705 billion over FY 2016, \$16.289 billion below the president's request, and \$5.7 billion above the House bill.

# Title I - Agricultural Programs

**Cotton:** The bill would direct the Secretary of Agriculture to issue a report detailing administrative options and legislative options for providing additional financial subsidies to cotton farmers. The bill does not include changes to existing subsidy programs. If the administration were to include cotton as an "other oilseed" administratively, it would have the same effect as making cotton eligible for the Agricultural Risk Coverage and Price Loss Coverage programs.

**Dairy:** The bill does not contain legislative changes to the dairy Margin Protection Program. However, the report does direct the Risk Management Agency (RMA) to <u>reinterpret the law</u> to treat milk as an agricultural commodity, and thus eligible for federal insurance supports. Under current law, the RMA has treated milk as covered as part of the Livestock Gross Margin program, which is limited by statute to \$20 million per year. If milk is treated as an agricultural commodity, the RMA would be authorized to develop crop insurance plans to cover milk.

Further, the secretary would be directed to use all available methods and authorities, including through the Commodity Credit Corporation Charter Act, to provide immediate assistance to dairy farmers. On April 27, several Senators <u>wrote to Secretary Perdue</u> "to assist farmers now, helping them to market their milk, develop new markets, and increase the uses of their milk." They also indicate he could take action under Section 32 of the Agriculture Act of 1935 to "purchase surplus dairy products and provide them to feed



families in need." Section 32 authority was used by the department in 2016 to conduct a \$20 million cheese bailout.

**Agricultural Research Service:** The bill includes \$1.27 billion for the Agricultural Research Service, \$14 million more than the president's request and \$18 million more than the amount contained in the House bill. The bill does not include the president's proposed terminations or redirections of research programs or closures of research locations.

**National Institute of Food and Agriculture:** The bill provides \$1.363 billion for the NIFA, including \$849.5 million for research activities and \$477 for extension activities. This amount is \$11 million less than the president's request and \$22 million more than the House bill. The bill continues the requirement that 15% of competitive grants be used for <u>USDA-EPSCOR</u>. The bill also includes \$3 million for addressing opioid abuse in rural communities.

**Animal and Plant Health Inspection Service:** The bill includes \$949.4 million for APHIS, \$45 million over the president's request and \$15 million more than the House bill, and \$51.8 million over the FY16 enacted level.

**Agricultural Marketing Service:** The bill provides \$1.469 billion for the Agricultural Marketing Service, \$3 million more than the president's request and the House bill.

**Farm Service Agency:** The bill includes \$1.624 billion for the FSA, \$10.4 million more than the president's request and \$14 million more than the House bill.

**Agriculture Credit Insurance Fund:** The bill authorizes \$8 billion in farm operating and ownership loans, as well as other farm credit programs. This amount is \$1.348 billion over the president's request and \$1.336 billion over the House bill.

**Risk Management Agency:** The report directs the RMA to reinterpret the law to allow for the development of insurance products to support livestock products separately from livestock. As described above, this is intended to produce new insurance programs to subsidize milk producers.

#### **Title II - Conservation Programs**

The bill provides \$1.027 billion for conservation programs in the Natural Resources Conservation Service. This amount is \$166 million over the president's request and \$159 million over the House bill. This would include \$150 million for <u>watershed flood and prevention operations</u>.

# **Title III - Rural Development**

**Housing Loans:** The bill would authorize \$24 billion in loans for single family direct loans, \$100 million over the president's request and equal to the House bill. The bill would also authorize \$2.6 billion in multi-family direct loans and \$148 million in multi-family loan guarantees.

**Rental Assistance:** The bill provides \$1.4 billion in rental assistance, equal to the House bill and the president's request.

**Water and Wastewater:** The bill provides \$1.25 billion in rural water system loans, \$446 million over the president's request and equal to the House bill. The bill also \$571 million in grants for related purposes, \$110 million over the president's request and \$38 million over the House bill.



**Rural Utilities Service:** The bill includes \$673 million for the RUS, \$85 million over the president's request and \$40 million over the House bill, and authorizes \$8.2 billion in RUS loans.

# **Title IV - Domestic Food Programs**

**Women, Infants, and Children:** The bill includes \$6.35 billion in discretionary funding for WIC, equal to the president's request and the House bill.

**Mandatory Programs:** The bill includes \$22.8 billion in mandatory funding for child nutrition programs and \$78.5 billion in mandatory funding for SNAP (food stamps).

# **Title V - Foreign Assistance and Related Programs**

**Food for Peace:** The bill would include \$1.6 billion in funding for Food for Peace Title II grants. This amount is \$250 million over the president's request and \$134 million over the House bill.

**McGovern-Dole:** The bill would include \$201.6 million for the McGovern-Dole international food for education program, \$20 million over the president's request and equal to the House bill.

The bill does not include the president's request for \$15 million to purchase food in-country for international assistance, rather than purchasing it in the U.S. and paying shipping costs.

# **Title VI - Related Agencies**

**FDA:** The bill provides \$2.759 billion in discretionary funding along with authority to spend \$1.896 billion in user fees, for a total of \$4.655 billion in funding for the FDA.

# **Major Policy Provisions**

The bill continues the current-law prohibition on the use of funds for the FDA to allow the genetic modification of embryos.

The bill continues the current-law provisions allowing states to seek exemption from the whole grain nutrition standards.

The bill would prohibit funds from being used to implement further sodium reduction standards in school nutrition programs for the 2017-2018 school year.

The bill would include a provision preventing fraudulent SNAP participation in multiple states by requiring households to report when they move out of the state in which they are certified to receive SNAP benefits.

# **Division B: Commerce, Justice, Science and Related Agencies Appropriations**



The Omnibus would provide \$56.5 for this bill, a level that is \$833 million above the FY 2016 enacted level.

**Department of Commerce**: The Omnibus would provide the Department of Commerce \$9.237 billion.

**National Oceanic and Atmospheric Administration (NOAA)**: The Omnibus would provide NOAA with \$5.7 billion.

**Department of Justice (DOJ)**: The Omnibus would provide the DOJ with \$28.947 billion, a level that is \$142 million below the FY 2016 enacted level.

**FBI**: The Federal Bureau of Investigation would be provided \$9 billion.

**National Aeronautics and Space Administration (NASA)**: The Omnibus would provide \$19.7 billion for National Aeronautics and Space Administration (NASA).

National Science Foundation (NSF): The Omnibus would provide \$7.5 billion for the NSF.

#### **Major Policy Provisions:**

Rifle Reporting: Some conservative may be concerned that the Omnibus *does not* include a provision to prohibit funding for an unauthorized reporting and registration requirement regarding the sale of multiple rifles to the same person in border states.

**Guantanamo Bay**: The Omnibus would continue a current law provision to prohibit funds to construct, acquire, or modify a facility in the U.S. to house detainees held at Guantanamo Bay.

The Omnibus would continue a current law provision to prohibit funds to transfer or release detainees held at Guantanamo Bay to the United States.

**Operation Chokepoint**: Some conservative may be concerned that the Omnibus *does not* include a provision to prohibit funding for Operation Chokepoint.

**Abortion Funding**: The Omnibus would continue a current law provision to prohibit federal funds to pay for an abortion, except in the case of rape or to preserve the life of the mother.

**Conscience Clause**: The Omnibus would continue a current law provision to include conscience protection clause that would prohibit funds to require any person to perform or facilitate in any way the performance of any abortion.

**Shotguns**: The Omnibus would continue a current law provision to prohibit funding to deny the importation of shotguns for sporting purposes.

**Relic Firearms**: The Omnibus would continue a current law provision to prohibit funding to deny the importation of curio and relic firearms.



**Firearms Export**: The Omnibus would continue a current law provision to prohibit funding to restrict the export of firearms to Canada.

**Fast and Furious**: The Omnibus would continue a current law provision to prohibit funding to carry out a Fast and Furious gunwalking operation.

EEOC Regulation: Some conservative may be concerned that the Omnibus *does not* include a provision to prohibit funding to implement a new EEOC regulation that requires businesses to report on certain demographic information of the employees.

Marijuana Legalization: Section 537 of the bill would prohibit the Department of Justice from preventing the States and territories of Alabama, Alaska, Arkansas, Arizona, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Illinois, Iowa, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, and Wyoming, the District of Columbia, Guam, or Puerto Rico, from implementing State laws regarding the use of medical marijuana.

# **Division C: Department Of Defense Appropriations Act, 2017**

Other than Title X, this Defense Appropriations Act is identical to <u>H.R. 1301</u>, the <u>Fiscal Year 2017 Defense Appropriations bill</u> passed by the House in March.

The Department of Defense would be provided with a total of \$598.5 billion in FY 2017. This includes \$516.1 billion in base appropriations provided by the Omnibus, \$61.8 billion in OCO provided by Title IX of the Omnibus, \$14.8 billion in supplemental OCO requested by the Trump administration provided by Title X of the Omnibus, and \$5.8 billion in supplemental OCO provided by the CR enacted in December.

<b>FY 2017 Defense Appropriations</b> (in billions of Dollars)				
Base Appropriations - Omnibus	516.1			
OCO - Omnibus Title IX	61.8			
Supplemental OCO - Omnibus Title X	14.8			
Supplemental OCO - December CR	5.8			
Total	598.5			

**Military Personnel**: The Omnibus would provide \$128.7 billion for base military personnel funding. This would provide for a total end strength of 2,119,100, a decrease of 815 below the FY 2016 authorized level.

End Strength	FY 2016 Authorized	FY17 Obama Budget Request	FY17 Originally recommended by the House	FY 2017 recommended in Omnibus
Total, Active Forces	1,308,915	1,281,900	1,310,615	1,305,900
Total, Selected Reserve	811,000	801,200	826,200	813,200
Total, Military Personnel	2,119,915	2,083,100	2,136,815	2,119,100

**Military Pay Raise:** The bill would provide funding to increase pay for all military personnel by 2.1 percent effective January 1, 2017.

**Operation and Maintenance**: The Omnibus would provide \$167.6 billion for base Operations and Maintenance.

**Procurement**: The Omnibus would provide \$108.4 billion for base procurement.

**Research, Development, Test and Evaluation (RDT&E)**: The Omnibus would provide \$73.3 billion for base RDT&E.

**Defense Health Program**: The Omnibus would provide \$33.8 billion for the Defense Health Program.

**Title IX: Global War on Terrorism (GWOT)/Overseas Contingency Operations (OCO):** The Omnibus would provide \$61.8 billion in OCO funding in Title IX of the Defense bill.

The funds appropriated by this title of the Omnibus would be in addition to the \$5.82 billion in supplemental OCO appropriations for the Department of Defense enacted as a part of <u>Further Continuing and Security Assistance Appropriations Act, 2017</u> that was signed into law in December 2016, as well as the funds provided in Title X of the Omnibus.

**Title X: Additional Appropriations**: This title of the Omnibus includes \$14.8 billion in appropriations designated as cap-exempt OCO in response to the president's FY 2017 <u>supplemental appropriations request</u>.

On March 16, 2017, the president submitted a FY 2017 <u>supplemental appropriations request</u> to increase base Defense by \$24.9 billion to \$576 billion and to increase Defense OCO by \$5.1 billion to \$70 billion, and to reduce Non-Defense Discretionary spending by \$15 billion. The Omnibus includes about half of the requested additional funding and none of the requested decreases in spending. Rather than include the additional defense funding in the base budget, the Omnibus designates it as OCO.

This title of the Omnibus would provide \$7.7 billion in Operations and Maintenance funding.

This title of the Omnibus would provide \$626 million as requested for a Counter-ISIS Train and Equip Fund.

This title of the Omnibus would provide \$1.6 billion for a Counter-ISIL Overseas Contingency Operations Transfer Fund that allows the Department of Defense transfer funds to any other account \_\_\_\_\_

directly related to overseas operations.

This title of the Omnibus includes \$5.5 billion for procurement.

This title of the Omnibus makes the expenditure of certain funds contingent upon the submission of a strategy on defeating the Islamic State of Iraq and al Sham.

This title of the Omnibus require the president to submit a report to Congress on a strategy for Syria.

# **Major Policy Provisions:**

**Guantanamo Detainees**: The bill would prohibit funds to transfer or release any detainee held at Guantanamo Bay into the U.S, modify any facility in the U.S. to house any Guantanamo detainee, prohibit funds in this to be used in contravention 1034 of the National Defense Authorization Act for Fiscal Year 2016 and section 1034 of the National Defense Authorization Act for Fiscal Year 2017, which require the Administration to notify Congress 30 days in advance of a detainee transfer to a foreign country, and prohibit the use of funds to close or transfer the jurisdiction of the Naval Station Guantanamo Bay.

**War Powers Resolution**: The bill would prohibit the use of funds in contravention of the War Powers Resolution. The bill would also specifically prohibit the use of funds in contravention of the War Powers Resolution in Iraq.

**BRAC**: The bill includes a provision that prohibits the use of funds for a base realignment and closure (BRAC).

**Second Amendment Provisions**: The bill would prohibit funding to implement the U.N. Arms Trade Treaty unless it is ratified by the Senate, and would prohibit the DOD from demilitarizing or disposing of M–1 Carbines, M–1 Garand rifles, M–14 rifles, .22 caliber rifles, .30 caliber rifles, or M–1911 pistols or to destroy small arms ammunition that is not otherwise prohibited for commercial sale by federal law.

**Protectionism**: The bill included protectionist "buy American" provisions for: supercomputers, ball and roller bearings, anchors and chains, flags, and carbon, alloy, and armor steel plate.

The bill also subjects all funds made available by the bill to the Buy American Act, requires the Secretary of Defense to consider disbarring any individual from contracting with the department who has been convicted of intentionally misusing a "made in America" label, and expresses the sense of Congress that the Department of Defense "purchase only American-made equipment and products, provided that American-made equipment and products are cost competitive, quality competitive, and available in a timely fashion."

**Section 526**: Some conservatives may be concerned that the bill *does not* include a provision that was in the original House-passed bill that would have prohibited funds to enforce Section 526 of the Energy Independence and Security Act (EISA) of 2007, which prohibits federal agencies from purchasing fuel from non-conventional sources such as coal-to-liquids, oil shale, and oil sands, if such fuels have higher lifecycle greenhouse gas emissions than traditional fuels.

**Green Energy Mandates**: Some conservatives may be concerned that the bill *does not* include a provision that was in the original House-passed bill that would have prohibited funds on certain green energy mandates.

**Housing for Unaccompanied Alien Children**: Some conservatives may be concerned that the bill *does not* 

include a provision that was in the original House-passed bill that would have prohibited funds to be used to modify a military installation in the United States, including construction or modification of a facility on a military installation, to provide temporary housing for unaccompanied alien children.

# **Division D: Energy and Water Appropriations**

The Omnibus would provide \$37.8 billion for this bill, an increase of \$586 million above the FY 2016 enacted level.

Title I: Corps of Engineers - Civil

Net Total Discretionary in Thousands of Dollars

FY16 Enacted	FY17 President Request	FY17 House Bill	FY17 Omnibus	Omnibus vs 16 Enacted	Omnibus vs President	Omnibus vs FY17 House
5,989,000	4,620,000	6,089,330	6,037,764	+48,764	+1,417,764	-51,566

The Army Corps of Engineers is appropriated \$6.038 billion, a level that is \$1.418 billion above the president's budget request, \$48.7 million above the FY 2016 enacted level, and \$51.6 million below the level originally proposed by the House Appropriations Committee for FY 2017.

**New Starts**: The bill provides funding for six new study starts and six new construction starts.

**Additional Funding for Ongoing Work**: The bill provides a total of \$1.418 billion in additional funding for authorized projects not specifically included in the president's budget request in the accounts that fund ongoing Corps work.

The administration is given authority to allocate these funds to a project if: (1) it has received funding, other than through a reprogramming, in at least one of the previous three fiscal years; (2) it was previously funded and could reach a significant milestone or produce significant outputs in FY 2017; or, (3) it is selected as one of the new starts allowed by the bill. The Corps is required to submit a work plan within 45 days of enactment. These allocations allow the Congress to fund projects in addition to just those included in the president's budget, while staying compliant with the earmark ban, because the bill does not specify which projects should be supported with these funds.

**Investigations**: The Investigations Account is appropriated \$121 million, a level that is \$35 million above the president's budget request, \$1 million below the FY 2016 enacted level, and equal to the level originally proposed by the House Appropriations Committee for FY 2017. This account funds studies to determine the need for and feasibility of Corps projects as well as preconstruction engineering and design. The specific projects that are funded can be found in the explanatory statement.

**Construction**: The Construction Account is appropriated \$1.876 billion, a level that is \$786 million above the president's budget request, \$14 million above the FY 2016 enacted level, and \$70 million below the level originally proposed by the House Appropriations Committee for FY 2017. This account funds the construction and major rehabilitation of water infrastructure projects. The specific projects that are funded can be found in the <u>explanatory statement</u>.



**Mississippi River and Tributaries**: The Mississippi River and Tributaries Account is appropriated \$362 million, a level that is \$140 million above the president's budget request, \$17 million over both the FY 2016 enacted level and the level originally proposed by the House Appropriations Committee for FY 2017. This account funds planning, construction, and operations and maintenance of flood control projects in the lower Mississippi River Valley. The specific projects that are funded can be found in the <u>explanatory statement</u>.

**Operation and Maintenance**: The Operation and Maintenance Account is appropriated \$3.149 billion, a level that is \$444 million above the president's budget request, \$12 million above the FY 2016 enacted level, and \$8 million below the level originally proposed by the House Appropriations Committee for FY 2017. This account funds activities such as dredging, repair, aquatic plant control, monitoring of completed projects, removal of sunken vessels, and the collection of waterborne commerce statistics. The specific projects that are funded can be found in the <u>explanatory statement</u>.

**Regulatory Program**: The Regulatory Program account is appropriated \$200 million, a level that is equal to the president's budget request, the FY 2016 enacted level, and the level originally proposed by the House Appropriations Committee for FY 2017. This account funds the administration of laws that regulate activities affecting U.S. Waters.

**Fill Material Regulations**: Section 108 of this title prohibits the Army Corps of Engineers from implementing regulations to change the definition of fill material under the Clean Water Act through the end of FY 2017. The House bill would have permanently prohibited such an action. CRS has additional information on this issue.

**Navigable Waters (WOTUS):** The Omnibus *does not* include the House bill provision prohibiting the Army Corps of Engineers from changing the definition of "navigable waters" under the Clean Water Act. In 2014, the EPA and the Corps proposed regulations that would reverse the long-standing definition of what waters would be regulated by the Clean Water Act. These regulations would place significant permitting and regulatory costs on many property owners. <u>CRS</u> has additional information on this issue.

**Firearms on Army Corps Property**: The Omnibus *does not* include the House bill provision prohibiting the Army Corps from adopting regulations that ban individuals not otherwise prohibited from possessing a firearm. In 2009, legislation was enacted that allowed the possession of firearms on property controlled by the National Park Service and National Wildlife Refuge System. The NRA <u>supports</u> standalone legislation that would allow possession on Corps property.

# Title II: Department of the Interior

*Net Total Discretionary in Thousands of Dollars* 

FY16 Enacted	FY17 President Request	FY17 House Bill	FY17 Omnibus	Omnibus vs FY16 Enacted	Omnibus vs President	Omnibus vs FY17 House
1,275,000	1,111,759	1,144,578	1,317,000	+42,000	+205,241	+172,422

The agencies within the Department of the Interior funded by the bill are appropriated \$1.317 billion, a level that is \$205.2 million above the president's budget request, \$42 million above the FY 2016 enacted level, and \$172.4 million above the level originally proposed by the House Appropriations Committee for FY 2017.

**Bureau of Reclamation**: The Bureau of Reclamation is appropriated \$1.307 billion, a level that is \$200.3 million above the president's budget request, \$41.5 million above the FY 2016 enacted level, and \$172.4 million above the level originally proposed by the House Appropriations Committee for FY 2017. The Bureau of Reclamation is charged with managing water resources in 17 western states. The specific projects that are funded can be found in the <u>explanatory statement</u>.

**California Water Authorizing Provisions**: The bill *does not* include House bill provisions from <u>H.R. 2898</u>, the Western Water and American Food Security Act of 2015, or a provision that would prohibit the use of funds for the purchase of water in the State of California to supplement instream flow within a river basin that has suffered a drought within the last two years.

**Title III: Department of Energy** 

Net Total Discretionary in Thousands of Dollars

FY16 Enacted	FY17 President Request	FY17 House Level	FY17 Omnibus	Omnibus vs FY16 Enacted	Omnibus vs President	Omnibus vs FY17 House
29,717,278	31,503,903	29,962,889	30,746,009	+1,028,731	-757,894	+783,120

The Department of Energy (DOE) is appropriated \$30.746 billion, a level that is \$757.9 million below the president's budget request, \$1.029 billion above the FY 2016 enacted level, and \$783 million above the level originally proposed by the House Appropriations Committee for FY 2017.

**Yucca Mountain**: Conservatives will be concerned that the Omnibus *does not* include House bill provisions providing funding for the licensing of Yucca Mountain, nor provisions prohibiting the closure of Yucca Mountain. Under the Nuclear Waste Policy Act of 1982, the federal government has a legal responsibility to assume responsibility for spent civilian nuclear fuel. Because the administration has halted the Yucca Mountain project, the taxpayers face a liability of \$22.6 billion in penalties. In 2013, the D.C. Circuit Court of Appeals ruled that the administration's refusal to complete the Yucca project was in contravention of the Nuclear Waste Policy Act. CRS has additional background on nuclear waste management. The Heritage Foundation has said that "finishing the review of Yucca Mountain is a critical part of any plan moving forward", and Cato says that a "new report confirms that the current proposed site, Yucca Mountain in Nevada, is safe for use."



**Energy Efficiency and Renewable Energy (EERE)**: EERE is appropriated \$2.09 billion, a level that is \$808.2 million below the president's budget request, \$17.2 million above the FY 2016 enacted level, and \$265.2 million above the level originally proposed by the House Appropriations Committee for FY 2017. This program subsidizes "green energy" projects, research, and development.

The <u>RSC Budget</u> proposed eliminating this account, stating: "Not only does this allow the federal government to pick winners and losers, but also it limits research to a small sector of the energy economy—renewables. The U.S. should pursue a market-based, all-of-the-above energy policy."

Many conservative groups oppose all or portions of this program, including: <u>American Energy Alliance</u>, <u>Americans for Prosperity</u>, <u>Cato</u>, <u>Citizens Against Government Waste</u>, <u>Heritage Foundation</u>, and <u>National Taxpayers Union</u>.

The explanatory statement does not contain sufficient amounts of detail to ascertain the major EERE program funding levels. This lack of detail may be a concern to many conservatives, especially given the significant increase in funding for EERE over the levels contained in the House bill.

**Electricity Delivery and Energy Reliability**: Electricity Delivery and Energy Reliability is appropriated \$230 million, a level that is \$32 million below the president's budget request, \$24 million above the FY 2016 enacted level, and \$5 million above the level originally proposed by the House Appropriations Committee for FY 2017. This program is meant to "increase the efficiency, resilience, and security" of our electricity system. The <u>American Energy Alliance</u> and the <u>Heritage Foundation</u> recommend eliminating this program.

**Nuclear Energy**: The Nuclear Energy program is appropriated \$1.017 billion, a level that is \$22.7 million above the president's budget request, \$30.5 million above the FY 2016 enacted level, and \$5 million above the level originally proposed by the House Appropriations Committee for FY 2017. Of this amount, \$136.6 million is classified as for defense purposes and \$880 million is for non-defense. This program conducts research to develop new nuclear reactors. Several outside groups have opposed this funding, including American Energy Alliance, Cato, Citizens Against Government Waste, Heritage Foundation, National Taxpayers Union, and Taxpayers for Common Sense.

**Fossil Energy Research and Development**: Fossil Energy Research and Development is appropriated \$618 million, a level that is \$258 million above the president's budget request, \$14 million below the FY 2016 enacted level, and \$27 million below the level originally proposed by the House Appropriations Committee for FY 2017. This program conducts research on fossil fuels, such as coal, oil, and natural gas.

The <u>RSC Budget</u> proposed eliminating this account, stating: "Just as this budget calls for the elimination of "green" energy subsidies, it also calls for the elimination of subsidies for conventional energy sources ... Instead of government-directed subsidies, the U.S. should pursue a market-oriented "all of the above" energy strategy." Of the total amount, over \$400 million is for coal. Several conservative groups have opposed this program, including <u>American Energy Alliance</u>, <u>Cato</u>, <u>Citizens Against Government Waste</u>, <u>Heritage Foundation</u>, and <u>National Taxpayers Union</u>.

**Strategic Petroleum Reserve (SPR)**: The SPR is provided \$223 million, a level that is \$11 million above the FY 2016 enacted level, and \$34 million below the president's budget request and the level originally proposed by the House Appropriations Committee for FY 2017. The bill also includes language authorizes the Department to Cato and Citizens Against Government Waste have proposed eliminating the SPR.

The bill would also authorize the use of \$340 million in proceeds from the SPR draw-down sale authorized as a pay-for as part of the Bipartisan Budget Act of 2015, which increased the Budget Control Act statutory spending caps.

**Non-Defense Environmental Cleanup**: Non-Defense Environmental Cleanup is appropriated \$247 million, a level that is \$28 million above the president's budget request, \$8 million below the FY 2016 enacted level, and \$20 million above the level originally proposed by the House Appropriations Committee for FY 2016. This program restores radioactive and hazardous sites that were used for civilian energy research activities.

**Uranium Enrichment Decontamination and Decommissioning Fund**: The fund is appropriated \$768 million, a level that is \$768 million above the president's budget request, \$94 million above the FY 2016 enacted level, and \$69 million above the level originally proposed by the House Appropriations Committee for FY 2017. This fund is meant to pay for cleanup activities at plants in Portsmouth, Ohio; Paducah, Kentucky; and the East Tennessee Technology Park in Oak Ridge, Tennessee. The president's budget proposed zeroing out the discretionary funding for this account and funding these activities through a different mandatory funding stream.

**DOE Office of Science**: The DOE Office of Science is appropriated \$5.392 billion, a level that is \$180 million below the president's budget request, \$42 million above the FY 2016 enacted level, and \$8 million below the level originally proposed by the House Appropriations Committee for FY 2017. The Office of Science funds physics, biology, and chemistry science research at national laboratories and universities. <a href="Cato">Cato</a> and <a href="Heritage">Heritage</a> have supported spending cuts to the Office of Science.

**Advanced Research Projects Agency - Energy (ARPA-E)**: ARPA-E is appropriated \$306 million, a level that is \$44 million below the president's budget request, \$15 million above the FY 2016 enacted level, and equal to the level originally proposed by the House Appropriations Committee for FY 2017. This agency was established by the 2009 stimulus law and is meant to fund high-risk green-energy projects. The Heritage Foundation and Taxpayers for Common Sense have supported eliminating this program.

**Title 17 Innovative Technology Loan Guarantee Program Administrative Expenses**: Administrative expenses for the Title 17 Loan Guarantee Program are provided a net appropriation of \$7 million, a level that is equal the president's budget request, \$10 million below the FY 2016 enacted level, and \$10 million equal to the level originally proposed by the House Appropriations Committee for FY 2017. The president's budget also proposed increasing the available subsidies for new loans under the program by \$1.02 billion; however, this proposal is rejected by the bill.

The <u>RSC Budget</u> proposed eliminating the appropriations to this program, stating: "This is the program that gave us the Solyndra scandal that resulted in the taxpayers losing more than \$500 million after the administration gambled on a politically favored company." Several conservative groups have supported eliminating this program, including <u>American Energy Alliance</u>, <u>Americans for Prosperity</u>, <u>Cato</u>, <u>Heritage</u>, <u>Mercatus</u>, and <u>Taxpayers for Common Sense</u>.

Advanced Technology Vehicles Manufacturing Loan Program: The Advanced Technology Vehicles Manufacturing Loan Program is appropriated \$5 million for administrative expenses, a level that is equal to the president's budget request and the level originally proposed by the House Appropriations Committee for FY 2017, and \$1 million below the FY 2016 enacted level. This program provides guaranteed loans to automotive companies to support the development of "greener" cars. <a href="Cato">Cato</a> support eliminating this program. National Nuclear Security Administration (NNSA): The NNSA is appropriated a total of \$12.38 billion, a level that is \$62.6 million above the president's budget request, \$411.7 million above the FY 2016 enacted level, and \$84 million above the level originally proposed by the House Appropriations Committee for FY 2017. The <a href="NNSA">NNSA</a> is a semi-autonomous agency within the U.S. Department of Energy that is charged with sustaining our nuclear weapons, maintaining naval nuclear reactors, and promoting nonproliferation efforts.

**Weapons Activities**: Within the NNSA, the Weapons Activities account is appropriated \$9.245 billion, a level

that is \$10.8 million above the president's budget request, \$398.6 million above the FY 2016 enacted level, and \$2 million above the level originally proposed by the House Appropriations Committee for FY 2017. This account provides for the security, safety, and reliability of the U.S. nuclear weapons stockpile, including life extension programs for current warheads. The bill also includes a rescission of \$8.4 million in funds that would not have been available until after FY17, as well as \$64 million in other rescissions.

**Defense Nuclear Nonproliferation**: Within the NNSA, Defense Nuclear Nonproliferation is appropriated \$1.883 billion, a level that is \$75 million above the president's budget request, \$57 million below the FY 2016 enacted level, and \$75 million above the level originally proposed by the House Appropriations Committee for FY 2017. This account supports efforts to prevent the spread of nuclear weapons. The bill includes \$335 million for the construction of the Mixed Oxide (MOX) Fuel Fabrication Facility project.

**Naval Reactors**: Within the NNSA, Naval Reactors is appropriated \$1.419 billion, a level that is \$307 thousand below the president's budget request and the level originally proposed by the House Appropriations Committee for FY 2016, and \$44.3 million above the FY 2016 enacted level. This account supports the development, operations and maintenance, and disposal of nuclear propulsion systems for the Navy. The bill provides \$214 million for the *Ohio*-class submarine replacement reactor development.

**Defense Environmental Cleanup**: The Defense Environmental Cleanup program is appropriated \$5.405 billion, a level that is \$170 million above the president's budget request, \$115 million above the FY 2016 enacted level, and \$178 million above the level originally proposed by the House Appropriations Committee for FY 2017. This program is responsible for the cleanup of contamination at sites where defense related nuclear research and production were carried out. This appropriation also contains \$24.7 million for Richland, Texas cleanup and Payments in Lieu of Taxes payments.

**Power Marketing Administrations**: The bill provides a total net appropriation of \$107 million for the four power marketing administrations (Bonneville, Southeastern, Southwestern, and Western Area), a level that is equal to the president's budget request, \$2 million above the FY 2016 enacted level, and equal to the level originally proposed by the House Appropriations Committee for FY 2017. These power marketing administrations produce and sell hydroelectric power. The Southwestern and Western Area power administrations receive appropriated subsidies, while the Bonneville and Southeastern power administrations utilize offsetting collections and do not receive a net appropriation. Conservative groups have supported eliminating the power marketing administrations, including American Energy Alliance, Cato, Citizens Against Government Waste, Heritage and National Taxpayers Union.

**Federal Energy Regulatory Commission (FERC)**: FERC is funded at \$347 million, a level that is equal to the president's budget request, \$27 million above the FY 2016 enacted level, and equal to the level originally proposed by the House Appropriations Committee for FY 2017. FERC revenues are established at a rate equal to funding, resulting in no net appropriation. FERC regulates the interstate commerce of energy, including electricity, natural gas, and oil.

**Workplace Diversity**: The Omnibus requires a report on the DOE's plans for "recruitment and retention of diverse talent that includes outreach and recruitment programs at Historically Black Colleges and Universities, Hispanic-Serving Institutions, Asian and Pacific Islander Serving Institutions, Predominantly Black Institutions, and other Minority Serving Institutions."

**Prohibition on Assistance to Russia**: The Omnibus includes a provision from the House bill that would prohibit the use of nonproliferation funds to enter into new contracts with, or new agreements for Federal assistance to, the Russian Federation.

# **Title IV: Independent Agencies**

Net Total Discretionary in Thousands of Dollars

FY16 Enacted	FY17 President Request	FY17 House Level	FY17 Omnibus	Omnibus vs FY16 Enacted	Omnibus vs President	Omnibus vs FY17 House
341,712	311,623	363,203	349,227	7,515	37,604	-13,976

The Independent Agencies funded by the bill are appropriated \$349.2 million, a level that is \$37.6 million above the president's budget request, \$7.5 million above the FY 2016 enacted level, and \$14 million below the level originally proposed by the House Appropriations Committee for FY 2016.

**Regional Commissions**: The bill provides a net total of \$202 million in appropriations to five regional commissions, a level that is \$46 million above the president's budget request, \$13 million above the FY 2016 enacted level, and \$25 million above the level originally proposed by the House Appropriations Committee for FY 2017.

A table showing the funding levels for the five regional commissions is below:

(Dollar figures in thousands)	FY17 Omnibus	Vs. FY17 House Level	Vs. FY16 Enacted	Vs. President Request
Appalachian Regional Commission (ARC)	152,000	+6,000	+6,000	+32,000
Delta Regional Authority (DRA)	25,000	+10,000	0	+9,064
Denali Commission	15,000	+4,000	+4,000	0
Northern Border Regional Commission (NBRC)	10,000	+5,000	+2,500	+5,000
Southeast Crescent Regional Commission	250	0	0	+250

The <u>RSC Budget</u> proposed eliminating the regional commissions, stating: "The economic development programs are duplicative of other programs in the federal government and provide federal funding for local projects. Not only is the federal government out of money, but also it is ill-equipped to prioritize local infrastructure and development projects. These activities are also more appropriately carried out by state and local governments." Several conservative organizations have supported eliminating these commissions, including <u>Americans for Prosperity</u>, <u>Citizens Against Government Waste</u>, <u>Heritage Action</u> and <u>National Taxpayers Union</u>.

**Nuclear Regulatory Commission (NRC)**: The NRC receives a net appropriation of \$110 million, a level that is \$8.5 million below the president's budget request, \$6.7 million below the FY 2016 enacted level, and \$39 million below the level originally proposed by the House Appropriations Committee for FY 2017. The bill provides an appropriation of \$905 million, which is offset by \$794.5 million in revenues. The NRC's appropriation has grown from \$669 million since 2005. The bill *does not* include a provision from the House bill directing \$20 million to continue adjudication of the Yucca Mountain license application.

**Environmental Justice**: The Omnibus includes a provision that prohibits the use of funds in contravention of an <u>Executive Order</u> related to "Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations".

**National Ocean Policy**: The bill *does not* include a provision from the House bill prohibiting the use of funds to implement the National Ocean Policy. However, the explanatory statement states that: "No specific funding was provided in fiscal year 2016 and none was requested by any agencies funded in this Act in fiscal year 2017 to implement the National Ocean Policy. Consequently, no specific funds for National Ocean Policy activities are included for any agency funded in this Act."

**Social Cost of Carbon:** Conservatives may be concerned that the bill *does not* include a provision adopted as an amendment offered by Rep. Gosar prohibiting funds from being used to prepare, propose, or promulgate any regulation or guidance that references or relies on the "Social Cost of Carbon".

**Light Bulb Ban:** Some conservatives may be concerned that the bill *does not* include a current-law provision prohibiting funds from being used to enforce energy efficiency standards regarding incandescent light bulbs.

**Iran:** Some conservatives may be concerned that the bill *does not* include a provision adopted as an amendment offered by Rep. DeSantis prohibiting the purchase of heavy water from Iran or a provision adopted as an amendment offered by Rep. Babin prohibiting funding to enter into new contracts with, or agreements for federal assistance to, Iran.

#### **Notable Policies:**

Conservatives will be pleased that no funding is included to implement the National Ocean Policy.

Conservatives will be pleased the bill includes a prohibition on implementing regulations to change the definition of fill material under the Clean Water Act. Conservatives may be disappointed that this provision applies only during FY2017, as opposed to the permanent prohibition in the House bill.

Conservatives will be concerned the Omnibus *does not* include the House bill provision prohibiting the Army Corps of Engineers from changing the definition of "navigable waters" under the Clean Water Act.

Conservatives will be concerned the Omnibus *does not* include the House bill provision prohibiting the Army Corps from adopting regulations that ban individuals not otherwise prohibited from possessing a firearm from carrying a firearm on Corps property.

The Omnibus includes a provision that prohibits the use of funds in contravention of an <u>Executive Order</u> related to "Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations".

The bill *does not* include a provision from the House bill prohibiting the use of funds to implement the National Ocean Policy. However, the explanatory statement states that: "No specific funding was provided in fiscal year 2016 and none was requested by any agencies funded in this Act in fiscal year 2017 to implement the National Ocean Policy. Consequently, no specific funds for National Ocean Policy activities are included for any agency funded in this Act."

Conservatives may be concerned that the bill *does not* include a provision adopted as an amendment offered by Rep. Gosar prohibiting funds from being used to prepare, propose, or promulgate any regulation or guidance that references or relies on the "Social Cost of Carbon".

Some conservatives may be concerned that the bill *does not* include a current-law provision prohibiting funds from being used to enforce energy efficiency standards regarding incandescent light bulbs.

Some conservatives may be concerned that the bill *does not* include a provision adopted as an amendment offered by Rep. DeSantis prohibiting the purchase of heavy water from Iran or a provision adopted as an amendment offered by Rep. Babin prohibiting funding to enter into new contracts with, or agreements for federal assistance to, Iran.

# Division E: Financial Services and General Government Appropriations Bill, 2017

The Omnibus would provide \$21.5 billion for the Financial Services and General Government Appropriations Bill, a level that is \$1.97 billion below the FY 2016 enacted level.

**Treasury (Non-IRS)**: The non-IRS functions of the Treasury would be appropriated a net total of \$360 million.

**Treasury Forfeiture Fund**: The Omnibus would rescind \$1.115 billion from the <u>Treasury Forfeiture Fund</u> in FY 2017. The fund is populated by assets seized pursuant to law-enforcement activities by the Treasury and certain Homeland Security agencies and is then available to support a <u>number of law enforcement activities</u>. A smaller rescission of these funds means that more resources are available for law enforcement activities. This provision is a "change in mandatory program" (CHIMPS). According to CBO, while this provision would reduce mandatory spending by \$1.115 billion in FY 2017, it would also increase mandatory spending by \$801 million in FY 2018.

Some conservatives may also be concerned that seizures under various asset forfeiture programs fail to provide basic protections to citizens, and some may believe such activities to be an unconstitutional violation of the  $4^{th}$  Amendment. More information on asset forfeiture and the use of the fund as a CHIMP is available from the Heritage Foundation.

**Internal Revenue Service (IRS)**: The Omnibus would provide \$11.235 billion for the IRS, a level equal to the FY 2016 enacted level.

**Targeting**: The Omnibus includes a current law provision to prohibit the use of funds to target groups and individual citizens based upon their ideological beliefs or for exercising their First Amendment rights.

**501(c)(4) Regulations**: The Omnibus includes a current law provision to prohibit the use of funds for the IRS to issue regulations that would change the definition and standards for 501(c)(4) organizations.

**IRS Videos**: The Omnibus includes a current law provision to prohibit funds for wasteful videos that have not been reviewed for "cost, topic, tone, and purpose and certified to be appropriate."

**IRS Conferences**: The Omnibus includes a current law provision to prohibit funds for IRS conferences that fail to comply with the Inspector General's recommendations.



**IRS Rehiring**: The Omnibus includes a current law provision to prohibit rehiring former IRS employees without taking into account the conduct and tax compliance of the employee.

**IRS Bonuses**: The Omnibus includes a current law provision to prohibit bonuses for IRS employees that do not take into account the conduct and tax compliance of each employee.

**Releasing Confidential Taxpayer Information**: The Omnibus includes a current law provision to prohibit the use of funds in violation of law that prohibits the release of taxpayer return information by the federal government.

**IRS Prepared Tax Returns**: The Omnibus includes a current law provision to prohibit the use of funds for the IRS to pre-fill or pre-populate tax returns for people.

**Political Determinations**: The Omnibus would include a current law provision to prohibit the White House from ordering the IRS to determine the tax-exempt status of an organization.

**Executive Office of the President**: The Omnibus would provide \$709 million for the Executive Office of the President, a level that is \$17 million above the FY 2016 enacted level.

**OMB Analysis on Executive Actions**: The Omnibus would require the OMB to include a statement of the budgetary impact of Executive Orders or Presidential Memorandum issued.

**Judiciary Branch**: The Federal Judiciary would be appropriated \$6.9 billion, including \$\$95 million for the Supreme Court.

**District of Columbia**: The District of Columbia (D.C.) would be appropriated a total of \$756 million.

**Scholarships for Opportunity and Results (SOAR) Act**: The Omnibus would provide \$45 million to implement the SOAR Act. The Omnibus would also reauthorize the SAOR Act through FY 2019.

**Abortion Funding**: The Omnibus would continue to prohibit the use of federal or local funds to provide for an elective abortion in D.C.

**Needle Exchange**: The Omnibus would continue to prohibit the use of federal funds for D.C.s drug needle exchange program.

**Conscience Clause**: The Omnibus would maintain the conscience clause for contraceptive coverage by health insurance plans in D.C.

**Marijuana**: The Omnibus would continue to prohibit the use of federal or local funds to legalize or reduce the penalties against controlled substances including marijuana.

**Commodities Futures Trading Commission (CFTC)**: The Omnibus would provide \$250 million for the CFTC.

**Federal Communications Commission (FCC)**: The Omnibus would provide \$357 million for the FCC, which would be entirely offset by offsetting collections.



**Securities and Exchange Commission (SEC)**: The Omnibus would provide the SEC with 1.6 billion, which would be offset by fee collections.

The Omnibus would rescind \$25 million from the SEC's reserve slush fund created by Dodd-Frank.

**Political Disclosure**: The omnibus would prohibit the SEC from requiring the disclosure of political contributions, contributions to tax-exempt organizations, or dues paid to trade associations.

**FEHB Abortion Coverage**: The omnibus would continue a current law provision to prohibit funding for abortion coverage through the Federal Employee Health Benefits Program (FEHBP), except in cases where the health of the mother is at risk or in the event of rape and incest.

**Federal Records Act Compliance**: The Omnibus would prohibit the use of funds to be used in contravention of the Federal Records Act.

**Unions**: The Omnibus would continue a current law provision to prohibit the federal government from disclosing the home addresses of federal employees to labor unions without employee authorization.

**Whistleblower Protection**: The Omnibus would continue a current law provision to prohibit payment of salary to any federal employee who threatens or prohibits another federal employee from communicating with Congress.

**Conscience Clause**: The Omnibus would continue a current law provision to maintain conscience protections for contraceptive coverage by health insurance plans in the FEHBP. *(Current law provision)* 

**Automatic Pay Increases**: The Omnibus would continue a current law provision to prohibit otherwise automatic pay increases for the Vice President, political appointees under the executive schedule, ambassadors, and politically appointed Senior Executive Service employees in FY 2017.

**Climate Change Executive Order**: The Omnibus would limit the applicability of President Obama's Executive Order 13690, Establishing a Federal Flood Risk Management Standard and a Process for Further Soliciting and Considering Stakeholder Input, relating to preparing for climate change.

#### **Notable Policies:**

Some conservatives may be concerned that the Omnibus *does not* include a provision to prohibit transfers from the Department of Health and Human Services (HHS) to the IRS to implement Obamacare.

Some conservatives may be concerned that the Omnibus *does not* include a provision to prohibit the IRS from enforcing Obamacare's Individual Mandate.

Some conservatives may be concerned that the Omnibus *does not* include a Gosar amendment to prohibit the use of funds to pay a performance bonus to any senior IRS employee.

Some conservatives may be concerned that the Omnibus *does not* include a provision to prohibit the IRS from determining that a church is not tax exempt for participating in political campaign unless the IRS



Commissioner consents to the determination and the IRS notifies Congress at least 90 days before the determination would take effect.

Some conservatives may be concerned that the Omnibus *does not* include a provision to prohibit the use of funds to prepare, sign, or approve statements abrogating legislation passed by Congress and signed by the president.

Some conservatives may be concerned that the Omnibus *does not* include a provision to prohibit the use of funds to prepare or implement an Executive Order or Presidential Memorandum that contravenes existing law.

Some conservatives may be concerned that the Omnibus *does not* include a Palmer amendment to prohibit the use of funds from being used to implement D.C.'s Reproductive Health Non-Discrimination Amendment Act (RHNDA).

Some conservatives may be concerned that the Omnibus *does not* include a provision to repeal D.C.'s Local Budget Autonomy Amendment Act of 2012.

Some conservatives may be concerned that the Omnibus *does not* include a provision to prohibit the use of funds to implement, administer, or enforce the FCC's Net Neutrality regulation until there has been a disposition of several court cases surrounding the regulation.

Some conservatives may be concerned that the Omnibus *does not* include a provision to prohibit the FCC from regulating rates for broadband and wireless Internet providers.

Some conservatives may be concerned that the Omnibus *does not* include a Posey amendment to prohibit the use of funds under this Act from being used to implement, administer, enforce, or codify into regulation, the SEC's guidance relating to 'Commission Guidance Regarding Disclosure Related to Climate Change'.

Some conservatives may be concerned that the Omnibus *does not* include a Huizenga amendment to prohibit funds to enforce a SEC rule pursuant to Section 1502 of Dodd-Frank relating to "conflict minerals".

Some conservatives may be concerned that the Omnibus *does not* include a Garrett amendment to prohibit the Securities and Exchange Commission from proposing or implementing a rule that mandates the use of universal proxy ballots during proxy contests.

Some conservatives may be concerned that the Omnibus *does not* include a Huizenga amendment to prohibit funds to finalize, implement, administer, or enforce the Securities and Exchange Commission's Pay Ratio Disclosure rules.

Some conservatives may be concerned that the Omnibus *does not* include a provision to make the Consumer Financial Protection Bureau (CFPB) subject to the appropriations process beginning in FY 2018.

Some conservatives may be concerned that the Omnibus *does not* include a provision to prohibit abortion coverage through the Multi-State Plan Program created under Obamacare.



Some conservatives may be concerned that the Omnibus *does not* include a provision to include H.R. 2947 (114<sup>th</sup>), the Financial Institution Bankruptcy Act, which would establish a new subchapter in the bankruptcy code to cover large financial institutions, imposing losses on shareholders and creditors rather than on taxpayers as under a Dodd-Frank proceeding.

Some conservatives may be concerned that the Omnibus *does not* include a provision to prohibit the Financial Stability Oversight Council (FSOC) from designating a non-bank institution as a Significantly Important Financial Institution (SIFI) unless it identifies the risks to financial stability presented by the non-bank and allows the non-bank to present a plan to modify its business, structure, or operation to mitigate the identified risk prior to final designation.

Some conservatives may be concerned that the Omnibus *does not* include a Garrett amendment to prohibit the use of funds to designate any nonbank financial company as "too big to fail" or as a "systemically important financial institution" or to make a determination that material financial distress at a nonbank financial company could pose a threat to U.S. financial stability.

Some conservatives may be concerned that the Omnibus *does not* include a provision to change the unconstitutional management structure of the CFPB from a single Director to a five-member Board of Directors, responding to a recent decision by the U.S. Court of Appeals for the D.C. Circuit.

Some conservatives may be concerned that the Omnibus *does not* include a Luetkemeyer amendment to prohibit funding for Operation Choke Point.

Some conservatives may be concerned that the Omnibus *does not* include a Messer amendment to prohibit funds from being used by the CFPB to commence any administrative adjudication or civil action beyond the 3 year statute of limitation established by the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Some conservatives may be concerned that the Omnibus *does not* include a Davidson amendment to prohibit the use of funds to change the Selective Service System registration requirements.

Some conservatives may be concerned that the Omnibus *does not* include a provision to prohibit funds to approve, license, facilitate, authorize, or otherwise allow the importation of property confiscated by the Cuban Government.

Some conservatives may be concerned that the Omnibus *does not* include a provision to prohibit approving or allowing the licensing of a mark, trade name, or commercial name that is substantially similar to one that was used in connection with a business or assets that was confiscated by Cuba, unless expressly consented.

Some conservatives may be concerned that the Omnibus *does not* include a provision to prohibit financial transaction with the Cuban military or intelligence service.

Some conservatives may be concerned that the Omnibus *does not* include a Roskam amendment to prohibit the use of any funds from being used to authorize a transaction by a U.S. financial institution that is ordinarily incident to the export or re-export of a commercial passenger aircraft to the Islamic Republic of Iran.



# **Division F: Department of Homeland Security Appropriations Act**

The Omnibus would provide a total of \$49.3 billion in discretionary appropriations for the Department of Homeland Security, a level that is \$1.5 billion above the FY 2016 enacted level and \$1 billion below the president's budget request (including the Trump administration's supplemental request).

**U.S. Customs and Border Protection (USCBP)**: The Omnibus would provide a total of \$11.4 billion in discretionary appropriations for USCBP, a level that is \$137 million above the enacted FY 2016 level.

**Immigration and Customs Enforcement (ICE)**: The Omnibus would provide a total of \$6.2 billion in discretionary appropriations for ICE, a level that is \$366 million above the FY 2016 enacted level.

**Transportation Security Administration (TSA)**: The Omnibus would provide a total of \$5.2 billion in discretionary funding for the TSA, a level that is \$325 million above the FY 2016 enacted level.

**Coast Guard**: The Omnibus would provide \$8.8 billion in discretionary appropriations for the Coast Guard, a level that is \$530 million below the FY 2016 enacted level.

**Secret Service**: The Omnibus would provide \$1.9 billion for the Secret Service, a level that is \$19 million below the FY 2016 enacted level.

**Federal Emergency Management Agency (FEMA)**: The Omnibus would provide a total of \$11.4 billion for FEMA. Of this amount, \$4.8 billion is regular discretionary appropriations and \$6.7 billion is in the capexempt Disaster Relief category.

The bill includes \$41 million in FEMA funding to reimburse law enforcement for costs associated with protecting the residences of President Trump, primarily in New York and Florida.

The Budget Control Act (BCA) allows for spending above the normal discretionary spending caps for <u>disaster relief activities</u> carried out under the Robert T. Stafford Disaster Relief and Emergency Assistance Act. These activities are primarily funded by appropriations to Federal Emergency Management Agency's (FEMA) Disaster Relief Fund (DRF). The amount of appropriations that is permitted to be designated as cap-exempt disaster funding each year is calculated by an average of the last ten years of actual disaster spending (exempting the highest and lowest amounts). If any amount from the average calculated in the previous year is unused, then it can be applied to the next year's amount. As of <u>March 31, 2017</u>, the Disaster Relief Fund had a balance of \$5.431 billion.

# **Supplemental Request:**

On March 16, 2017, the president submitted a FY 2017 <u>supplemental appropriations request</u> for an additional \$3 billion in FY 2017 for the Department of Homeland Security.

Highlights of the request include:

- \$999 million for the first instillation of new border wall construction, planning, and design.
- \$200 million for border security technology deployments.
- \$1.15 billion for Immigration and Customs Enforcement (ICE) for detention, removal, and transportation of illegal aliens.
- \$179 million for access roads, gates, and other border security tactical infrastructure projects.
- \$96 million for U.S. Customs and Border Protection (CBP) border surge operations.



- \$76 million for hiring 10,000 ICE agents.
- \$65 million for hiring 5,000 CBP agents.

The Omnibus includes \$1.14 billion in appropriations related to the president's request in Title VI of the Homeland bill. The funding made available under this title is generally available for obligation past the end of FY 2017.

The Omnibus does *not* include the \$1 billion in funding for USCBP procurement and construction of new border fencing as requested. The Omnibus does include \$341 million to replace about 40 miles worth of existing fencing with more effective designs and to add gates on existing barriers; \$79 million for border security technology such as video surveillance systems; and \$77 million for border road construction. The Omnibus also requires the Secretary of Homeland Security to submit to Congress within 90 days a plan for improving security along the border over the FY 2017 - 2021 period.

The Omnibus includes \$275 million for USCBP Operations and Support, of which \$91 million is for border security technology deployment, \$65 million for USCBP agents, \$48 million for border surge operations, \$48 million for maintenance backlogs, and \$22 million for border road maintenance.

The Omnibus includes \$237 million for ICE Operations and Support, of which \$148 million is for custody operations, \$57 million is for alternatives to detention, and \$32 million is for transportation and removal operations. The president requested \$1.15 billion for ICE funding for these purposes.

The Omnibus would provide \$131 million for the Secret Service for additional White House fencing and other operations. The president did not request any additional funding for the Secret Service.

# **Major Provisions:**

**DACA**: Many conservatives may be concerned that the Omnibus does *not* include language from the FY 2017 bill proposed by the House Appropriations Committee to prohibit the use of funds for President Obama's executive action on immigration for the duration of ongoing legal proceedings on the issue.

**Abortion Funding**: Many conservatives may be concerned that the Omnibus does *not* include language from the FY 2017 bill proposed by the House Appropriations Committee to prohibit federal funding for Immigration and Customs Enforcement (ICE) to provide for abortions, except in certain life-threatening cases, rape, and incest.

Many conservatives may be concerned that the Omnibus does *not* include language from the FY 2017 bill proposed by the House Appropriations Committee to include conscience protection clause to prohibit ICE from requiring any person to perform an abortion.

**Guantanamo Bay**: The Omnibus would continue a provision to prohibit funds to transfer or release detainees from Guantanamo Bay.

**H2B Visas**: Section 543 includes a plus up for H-2b visa allotment for temporary, seasonal, non-agricultural work. This legislation would increase the cap from 66,000 per fiscal year, by not more than the highest number of H-2B recipients who previously participated in the H-2B returning worker exemption. In FY 2007, DHS issued just over 69,000 H-2B visas under the returning worker exemption, setting the new



maximum for 2017 at roughly 135,000. The 2017 cap is discretionary, to be used at the will of DHS, and would benefit any eligible potential H-2B worker.

**Visa Overstay Data**: Sec. 107 of the bill would require the Secretary of Homeland Security to submit to Congress a report on the amount of visa overstays estimated to have occurred in FY 2016.

**Immigration Enforcement Budgetary Certification**: Sec. 108 of the bill would require that the Secretary of Homeland Security to certify to Congress that ICE is administering its enforcement and removal operation within the budget authority provided by law.

**Importation of Prescription Drugs from Canada**: Sec. 206 of the bill prohibits the use of funds to prevent an individual from importing for personal use from Canada prescription drugs that comply with the Federal Food, Drug, and Cosmetic Act.

**Jones Act for SPR**: Sec. 207 of the bill would prohibit the use of funds to waive the Jones Act with respect to the transportation of crude oil distributed to and from the Strategic Petroleum Reserve (SPR) "until the Secretary of Homeland Security, after consultation with the Secretaries of the Departments of Energy and Transportation and representatives from the United States flag maritime industry, takes adequate measures to ensure the use of United States flag vessels". Under current law, the secretary may waive the navigation or vessel-inspection laws when necessary in the interest of national defense. As described in the RSC Budget, "The Jones Act requires that cargo shipped between U.S. ports be carried on a U.S. built, U.S. flagged vessel that is staffed by a crew that is at least 75 percent American. It is a purely protectionist policy meant to subsidize the domestic shipping industry and union bosses by outlawing competition. This stifles innovation and competition, keeps prices high, and ultimately hurts consumers."

# Division G: Interior, Environment and Related Agencies Appropriations Bill, 2017

The Omnibus would provide \$32.3 billion for this bill, a level that is \$121 million above the FY 2016 enacted level.

**Bureau of Land Management (BLM)**: The Omnibus would provide \$1.252 billion in discretionary appropriations for the BLM.

**U.S. Fish and Wildlife Service (FWS)**: The Omnibus would provide \$1.52 billion in discretionary appropriations for the FWS.

**National Park Service (NPS)**: The Omnibus would provide \$2.931 billion in discretionary appropriations for the NPS.

**Land and Water Conservation Fund (LWCF)**: The Omnibus would appropriate \$400 million out of the LWCF. Of this total, \$189 million would be for federal land acquisition and \$161 million would be for state and local programs.

**U.S. Geological Survey (USGS)**: The Omnibus would provide \$1.085 billion in discretionary appropriations for the USGS.

**Indian Affairs**: The Omnibus would provide a total of \$2.86 billion in discretionary appropriations for the Bureau of Indian Affairs and the Bureau of Indian Education.

**Wildland Fire**: In total, the Omnibus would provide \$4.183 billion for wildland fire programs at the Department of the Interior and the Forest Service. This level is equal to the ten-year average of expenditures

for these activities.

The Omnibus would provide \$943 million for wildfire activities of the Department of the Interior and \$65 million is appropriated to the <u>FLAME reserve account</u>. The Omnibus would provide \$2.833 billion for wildfire activities of the Forest Service and \$342 million is appropriated to the FLAME reserve account.

In a significant change from past policy, the appropriations to the FLAME reserve accounts are designated as emergency funding, exempting the funding from the Budget Control Act discretionary spending caps. Many conservatives have expressed concerns about proposals to exempt fire suppression funding from the spending caps. As <a href="Speaker Paul Ryan wrote">Speaker Paul Ryan wrote</a> as Chairman of the Budget Committee, "The question is not whether wildfire suppression is a priority. It clearly is. The question is whether we will fund this priority within the current discretionary-spending caps or whether we should effectively break those bipartisan caps by providing funding for wildfire suppression on top of those caps." Additional information about the implications of exempting wildfire funding from the normal spending caps can be found from the <a href="Budget Committee">Budget Committee</a>.

A CRS report on the wildfire programs can be found <u>here</u>. According to the FY 2017 Interior Appropriations bill's <u>committee report</u>, "In seven of the last ten years, wildland fire suppression costs have exceeded estimated budgets despite being fully funded at the ten-year suppression average for such costs."

**Payments in Lieu of Taxes (PILT)**: The Omnibus would provide \$465 million in discretionary funding for PILT.

**Sage Grouse**: The Omnibus continues a current law provision that would prohibit the issuance of a proposed rule for the Sage grouse under the Endangered Species Act.

**Environmental Protection Agency (EPA)**: The Omnibus would provide \$8.058 for the EPA, a level that is \$81 million below the FY 2016 enacted level.

**Forest Service**: The Omnibus would provide a total of \$5.596 billion for the U.S. Department of Agriculture Forest Service.

**Indian Health Service**: The Omnibus would provide \$5.04 billion for the Indian Health Service.

**Smithsonian Institution**: The Omnibus would provide \$863 million for the Smithsonian Institution

**D.C.'s Opera House**: The Omnibus would provide a total of \$36.4 million in subsidies for the John F. Kennedy Center for the Performing Arts in Washington, D.C..

Many conservatives may also be concerned that the Omnibus snuck in a one-year reauthorization of the Kennedy Center. When a reauthorization of the Kennedy Center was last scheduled for consideration by the House, the bill was pulled due to strong opposition from conservatives including the RSC.

The <u>RSC Budget</u> proposed eliminating this funding, stating: "It is inappropriate for the federal government to subsidize a performing arts center in one of the wealthiest areas in the country." Tickets can often cost over \$150 apiece, and performances are often sold out. The Kennedy Center's <u>website</u> currently lists 17 corporations as Executive Benefactors who provide annual commitment of \$250,000 or greater.

**National Endowment for the Arts**. The Omnibus would provide \$150 million for the <u>National Endowment</u> for the Arts. President Trump recommended eliminating this funding in his budget amendment.



**National Endowment for the Humanities**. The Omnibus would provide \$150 million for the <u>National Endowment for the Humanities</u>. President Trump recommended eliminating this funding in his budget amendment.

# **Major Policy Provisions:**

Ozone: Many conservative may be concerned that the Omnibus *does not* include a provision to delay the implementation of the EPA's ozone regulations published in October 2015.

Greenhouse Gas: Many conservative may be concerned that the Omnibus *does not* include a provision to prohibit the EPA from implementing greenhouse gas regulations for new and existing power plants.

Waters of the United States: Many conservative may be concerned that the Omnibus *does not* include a provision to prohibit the EPA from changing the definition of navigable waters under the Clean Water Act.

Fill Material: Many conservative may be concerned that the Omnibus *does not* include a provision to prohibit the EPA from changing the definition of fill material or discharge fill material under the Clean Water Act. This provision was included in Division D - Energy and Water. The result would be that while the Corps of Engineers would be prohibited from taking action to change the definition, EPA would not face similar limitations.

Royalty Rates: Many conservative may be concerned that the Omnibus *does not* include a provision to prohibit the use of funds to change royalty rates or product valuation regulations under federal coal, oil, and gas leasing programs.

Greenhouse Gas Permitting: The Omnibus continues a current law provision that would prohibit the EPA from implementing a regulation that would require permitting under the Clean Air Act for carbon dioxide, nitrous oxide, water vapor, or methane emissions.

Lead in Ammunition and Fishing Tackle: The Omnibus includes a provision that would prohibit the EPA from regulating the lead content of ammunition or fishing tackle.

Oil and Gas Royalties: Many conservative may be concerned that the Omnibus *does not* include a provision to prohibit the use of funds to finalize, implement, or enforce proposed rules regarding oil and gas royalties related to venting, flaring, and leaks.

BLM Hunting and Fishing: Some conservative may be concerned that the Omnibus *does not* include a provision to prohibit the BLM from closing areas that were open to recreational hunting and shooting as of January 1, 2013.

Social Cost of Carbon: Many conservative may be concerned that the Omnibus *does not* include a provision to prohibit the social cost of carbon to be incorporated into any rulemaking or guidance until an interagency working group revises the Obama administration's current estimates.

Lesser Prairie Chicken: Some conservative may be concerned that the Omnibus *does not* include a provision to prohibit the use of funds to treat the lesser prairie chicken as an endangered or threatened species.

EPA Regulations: Some conservative may be concerned that the Omnibus *does not* include a Weber amendment to prohibit the use of funds by EPA in contravention of the Clean Air Act provision requiring EPA to evaluate the impact of its actions with respect to jobs in America.

ANWR: Some conservative may be concerned that the Omnibus *does not* include a Young amendment to prohibit the use of funds to implement the Final Comprehensive Conservation Plan for the Arctic National Wildlife Refuge, Alaska.

Settlements: Some conservative may be concerned that the Omnibus *does not* include a Smith amendment to restrict federal agencies from using funds to pay legal fees under any lawsuit settlement regarding a case that arises under the Clean Air Act, the Clean Water Act, and the Endangered Species Act.

Marine Monuments: Some conservative may be concerned that the Omnibus *does not* include a Zeldin amendment to prohibit funds from being used to designate a National Marine Monument in the Exclusive Economic Zone (EEZ) via presidential proclamation.

Fracking: Some conservative may be concerned that the Omnibus *does not* include a Lamborn amendment to prohibit funds made available by this Act to be used to implement, administer, or enforce the final rule entitled "Hydraulic Fracturing on Federal and Indian Lands" as published in the Federal Register on March 26, 2015 and March 30, 2015 (80 Fed. Reg. 16127 and 16577, respectively).

National Ocean Policy: Some conservative may be concerned that the Omnibus *does not* include a Byrne amendment to prohibit funding from being used to implement, administer, or enforce the Obama administration's National Ocean Policy. The <u>explanatory statement</u> includes a requirement for the administration to submit a report identifying by account and agency all funding and proposed actions to implement this policy.

Well Control Rule: Some conservative may be concerned that the Omnibus *does not* include a Boustany amendment to prohibit funds for the implementation of the Well Control Rule.

EPA Total Maximum Daily Load in the Chesapeake Bay: Some conservative may be concerned that the Omnibus *does not* include a Goodatte amendment to prohibit the Environmental Protection Agency from using any funds to take retaliatory, or EPA described "backstop" actions, against any of the six states in the Chesapeake Bay Watershed in the event that a state does not meet the goals mandated by the EPA's Chesapeake Bay Total Maximum Daily Load.

OCS Leasing: Some conservative may be concerned that the Omnibus does not include a Young amendment to prohibit funds to be used to remove 3 Arctic Sales from the 2017-2022 Outer Continental Shelf Oil and Gas Leasing Proposed Program.

Manure: The Omnibus includes a provision that would prohibit the EPA from implementing a regulation that would require reporting of greenhouse gas emissions from manure management systems.

Arctic OCS Drilling: Some conservative may be concerned that the Omnibus does not include a Young amendment to prohibit funds to finalize, implement, or enforce the proposed rule entitled "Oil and Gas and Sulphur Operations on the Outer Continental Shelf-Requirements for Exploratory Drilling on the Arctic Outer Continental Shelf".

Spill Control Rule for Farming: Some conservative may be concerned that the Omnibus does not include a Crawford amendment to prohibit the EPA from enforcing or implementing the Spill Prevention, Control, and Countermeasure (SPCC) rule on farming and ranching operations.

Lobbying: Some conservatives may be pleased that the bill would prohibit funds for grassroots lobbying efforts.



Endangered Species: Some conservative may be concerned that the Omnibus does not include a Lamborn amendment to prohibit the use of funds to implement or enforce the threatened species or endangered species listing of any plant or wildlife that has not undergone a periodic 5-year review as required by section 4(c)(2) of the Endangered Species Act of 1973.

Historic Designations: Some conservative may be concerned that the Omnibus does not include a provision to prohibit the use of funds to designate a federal property to the National Register of Historic Places if the managing agency of the property objects.

Lead Test Kit: Some conservative may be concerned that the Omnibus does not include a provision to prohibit the EPA from implementing the Lead Renovation, Repair, and Painting Rule until it has approved a commercially available lead testing kit.

Methane: Some conservative may be concerned that the Omnibus does not include a provision to prohibit the use of funds to develop, propose, finalize, implement, or enforce any rule or guideline regarding methane emissions from sources in the oil or natural gas industry.

Gray Wolf: Some conservative may be concerned that the Omnibus does not include a Newhouse amendment to prohibit funds made available by this Act to be used by the Secretary of the Interior to treat any gray wolf in any of the 48 contiguous states or the District of Columbia as an endangered species or threatened species under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) after June 13, 2017.

Some conservative may be concerned that the Omnibus does not include a provision to require the FWS to re-issue final rules removing gray wolves in Wyoming and the Great Lakes region from listing under the Endangered Species Act.

Mexican Wolf: Some conservative may be concerned that the Omnibus does not include a Gosar amendment to prohibit funds to treat the Mexican wolf as an endangered species or threatened species under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) or to implement a recovery plan for such species that applies in any area outside the historic range of such species.

Financial Assurance: Some conservative may be concerned that the Omnibus does not include a provision to prohibit the EPA from implementing a regulation that would impose new financial responsibility requirements under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA).

Glider Kits: Some conservative may be concerned that the Omnibus does not include a Black amendment to prohibit the EPA from using funds to implement, administer, or enforce the agency's 'Phase 2' fuel-efficiency and emissions standards, or any rule with respect to glider kits and glider vehicles.

Uranium: Some conservative may be concerned that the Omnibus does not include a Lummis amendment to prohibit funding to finalize, implement, or enforce EPA proposed rulemaking regarding in situ uranium production.

New Mexico Meadow Jumping Mouse: Some conservative may be concerned that the Omnibus does not include a Lummis amendment to remove federal protections for the New Mexico Meadow Jumping Mouse under the Endangered Species Act.

Preble's Meadow Jumping Mouse: Some conservative may be concerned that the Omnibus does not include a Lamborn amendment to prohibit funds made available by this Act to implement or enforce the threatened

species listing of the Preble's meadow jumping mouse under the Endangered Species Act of 1973.

Report on Climate Change Funds: Some conservatives may be pleased that the Omnibus would require a report from the president describing in detail all federal agency funding for climate change programs in FY 2016 and 2017.

# <u>Division H: Labor, Health and Human Services, and Education and Related Agencies Appropriations</u> Bill, 2017

The Omnibus would provide \$161 billion for this bill, a level that is about \$1 billion below the enacted FY 2016 level. The bill would further provide appropriations for \$750 billion for appropriated entitlement programs funded by the bill.

**Department of Labor**: The Omnibus would provide \$12.1 billion for the Department of Labor.

**Centers for Disease Control and Prevention (CDC)**: The Omnibus would appropriate \$6.3 billion for the CDC.

**National Institutes of Health (NIH)**: The Omnibus would provide \$34.1 billion to the NIH, a level that is \$2 billion above the enacted FY 2016 level. This increase is above the previous BCA cap-exempt increase authorized in the 21st Century Cures Act.

**Substance Abuse and Mental Health Administration (SAMHSA)**: The Omnibus would appropriate \$3.6 billion for SAMHSA.

**LIHEAP**: The Omnibus would provide \$3.4 billion for the Low Income Home Energy Assistance Program (LIHEAP).

<u>President Trump's budget</u> would eliminate this program because LIHEAP "is a lower-impact program and is unable to demonstrate strong performance outcomes."

**Refugee and Entrant Assistance**: The Omnibus would provide \$1.7 billion for Refugee and Entrant assistance, a level that is equal to the FY 2016 enacted level. Within this total, \$490 million is for transitional and medical services, \$155 million is for social services, \$48 million is for unaccompanied minors with an additional \$948 million as a contingency fund, and \$19 million is for victims of trafficking.

**Social Services Block Grant (SSBG)**: The Omnibus would provide \$1.7 billion for the SSBG.

**Public Health and Social. Services Emergency Fund (PHSSEF)**: The Omnibus would provide \$1.5 billion for the PHSSEF.

**Medicaid**: The Omnibus provides the appropriation for Medicaid payments to states. <u>Medicaid is an appropriated entitlement</u> that requires the enactment of appropriations bills for funding. Many conservatives may be concerned that the Omnibus does not include a provision to prevent these funds from going to Planned Parenthood.

Title X Family Planning: The Omnibus would provide \$286 million for Title X Family Planning. Many



conservatives may be concerned by this funding program that is a major source of funding for Planned Parenthood.

**Department of Education**: The Omnibus would provide \$68 billion for the Department of Education.

**Pell Grants**: The Omnibus includes authorizing legislation to expand the Pell Grant program to allow for year-round Pell Grants. Further, the Omnibus would increase the size of Pell Grants to \$5,935.

**Corporation for Public Broadcasting**: The Omnibus would provide the Corporation for Public Broadcasting with a \$445 million advance appropriation for FY 2019 in addition to a \$50 million supplemental appropriation for FY 2017. <a href="President Trump's budget">President Trump's budget</a> would eliminate this program.

**Corporation for National and Community Service (CNCS)**: The Omnibus would provide \$1 billion for the CNCS. <u>President Trump's budget</u> would eliminate this program.

**Program Integrity**: The Omnibus provides \$1.8 billion in program integrity activities, such as Social Security Administration continuing disability reviews (CDRs) that ensure beneficiaries remain eligible. Program Integrity funds are exempt from the Budget Control Act discretionary spending limits.

# **Major Policy Provisions:**

**Funding Obamacare**: The Omnibus continues funding for Obamacare. According to the Appropriations Committee, the bill does not include *additional* funding to implement Obamacare. Obamacare remains the law of the land and the discretionary appropriations provided to the agencies funded by the Omnibus will continue to be used to implement the law. Further, the Omnibus continues to allow mandatory funding for Obamacare.

H.R. 5926, the <u>Departments of Labor, Health and Human Services</u>, and <u>Education</u>, and <u>Related Agencies</u> <u>Appropriations Act, 2017</u>, that was reported by the House Appropriations Committee, included provisions to defund Obamacare; this Omnibus does not.

**Obamacare Risk Corridor**: The Omnibus continues a current law provision that would prohibit the use of funds to be used for the Obamacare Risk Corridor program.

**Hyde Amendment**: Many conservatives will be pleased that the Omnibus continues the Hyde amendment to prohibit funding for abortion by the bill.

**Conscience Protection**: Some conservatives may be concerned that the Omnibus *does not* include the text of the Health Care Conscience Rights Act (the Conscience Protection Act).

**Embryo Protection**: The Omnibus continues a current law provision to prohibit the use of funds for certain research involving human embryos.

**IVF Embryo Destruction**: Some conservatives may be concerned that the Omnibus does not specify that any federal funding provided in any act of law may only be used to provide In Vitro Fertilization (IVF) treatments if such treatments do not result in the destruction of viable human embryos before embryo transfer.

**Overtime Rule**: Some conservatives may be concerned that the Omnibus *does not* prohibit implementation of the Obama Department of Labor Overtime rule.

**Fiduciary Rule**: Some conservatives may be concerned that the Omnibus *does not* prohibit implementation of the Obama Department of Labor Fiduciary rule.

**Joint Employer Standard**: Some conservatives may be concerned that the Omnibus *does not* prohibit implementation of the Obama NLRB Joint Employer standard.

**Bargaining Unit Standards**: Some conservatives may be concerned that the Omnibus *does not* prohibit implementation of the Obama NLRB bargaining unit standards.

**NLRB Representation-case Procedures Regulation**: Some conservatives may be concerned that the Omnibus *does not* prohibit implementation of the Obama NLRB Representation-case Procedures Regulation.

**Union Voting**: The Omnibus continues a current law provision to prohibit the NLRB from mandating the use of electronic voting in union elections.

**Second Amendment Protection**: Conservative will be pleased that the Omnibus continues a long-standing provision to prohibit using federal funds to advocate or promote gun control.

# **Division I: Legislative Branch Appropriations Bill, 2017**

The Omnibus would provide \$4.4 billion for this bill, a level that is \$77 million above the FY 2016 enacted level.

**Senate**: The Omnibus would provide \$871 million for Senate operations.

**House of Representatives**: The Omnibus would provide \$1.189 billion for House operations.

**Senate Office Buildings**: The Omnibus would provide \$88 million for the maintenance, care, and operation of Senate office buildings.

**House Office Buildings**: The Omnibus would provide \$186 million for the basic and recurring needs of the House office buildings, including \$62 million for the Cannon restoration and \$31 million for the Rayburn garage rehabilitation.

**Library of Congress**: The Omnibus would provide \$631 million for the Library of Congress.

**Government Accountability Office (GAO)**: The Omnibus would provide \$545 million for the GAO.

**Open World Leadership Center**: The Omnibus would provide \$5.6 million for the Open World Center.

# **Major Policy Provisions:**

The Omnibus continues a current law provision to provide that unspent MRA funds be used for deficit reduction.

The Omnibus continues current law provisions to prohibit funds for the delivery of printed copies of bills, resolutions, the Congressional Record, the Statements of Disbursements, the Daily Calendar, the



Congressional Pictorial Directory, the House Telephone Directory, the president's budget, and the Federal Register.

The Omnibus continues a current law provision to limit spending on leased vehicles using MRA funds to no more than \$1,000 per month.

The Omnibus continues a current law provision to prohibit the payment of bonuses to contractors that are behind schedule or over budget.

The Omnibus continues a current law provision to prohibit funds for scrims (cloth building facade showing a picture of the building during construction).

# Division J: State, Foreign Operations, and Related Programs Appropriations Bill, 2017

The Omnibus would provide \$36.6 billion in base discretionary appropriations for this bill in addition to \$16.5 billion in cap-exempt Overseas Contingency Operations (OCO) funding. The December CR also provided \$4.3 billion in OCO funding. The total appropriations in FY 2017 for the bill of \$57.5 billion represents a \$4.6 billion increase above the FY 2016 enacted level. Meanwhile, <a href="President Trump's budget">President Trump's budget</a> has proposed to reduce funding for the State Department by about 28 percent.

**Diplomatic and Consular Affairs**: The Omnibus would provide \$6.1 billion in base funding for Diplomatic and Consular Affairs, in addition to \$2.4 billion in OCO funding.

**Embassy Security, Construction and Maintenance**: The Omnibus would provide \$1.1 billion in base funding for Embassy Security, Construction and Maintenance, in addition to \$1.2 in OCO funding.

**Contributions to International Organizations**: The Omnibus would provide \$1.3 billion in base funding for contributions to international organizations, in addition to \$96 million in OCO funding.

**USAID**: The Omnibus would provide \$1.4 billion for USAID administrative expenses in base funding, in addition to \$152 million in OCO funding.

**Global Health Programs**: The Omnibus would provide \$8.7 for Global Health Programs.

**Economic Support Fund**: The Omnibus would provide \$1 billion in base funding for the Economic Support Fund, in addition to \$2.6 billion in OCO funding.

**Migration and Refugee Assistance**: The Omnibus would provide \$913 million in base funding for Migration and Refugee Assistance, in addition to \$2.1 billion in OCO funding.

**International Security Assistance**: The Omnibus would provide \$6.4 billion in base funding for International Security Assistance, in addition to 2.6 billion in OCO funding.

This includes \$1.3 billion for assistance to Egypt and \$3 billion for Israel.

Multilateral Assistance: The Omnibus includes \$2.1 billion in funding for Multilateral Assistance programs.



**Crony Capitalism**: Many conservative may be concerned that the Omnibus would continue the Export Import Bank and the Overseas Private Investment Corporation (OPIC).

# **Major Policy Provisions:**

**Green Climate Fund**: Section 7060(c)(1)(B) of the bill provides that "No funds are appropriated or otherwise made available by this Act for a contribution, grant, or other payment to the Green Climate Fund."

The Omnibus does not provide funding for the Intergovernmental Panel on Climate Change.

**Mexico City Policy**: The Omnibus *does not* legislatively reinstate the Mexico City Policy, to make foreign NGOs that perform and promote abortion overseas ineligible for US funds. (Note: On January 23, 2017 the Trump Administration issued a <u>Presidential Memorandum</u> reinstating the Mexico City Policy and applying it to all Global Health funding).

**Current Law Pro Life Provisions**: The Omnibus continues current law pro-life provision, including the

- "Tiahrt Amendment," which ensures family planning programs are voluntary.
- "Helms Amendment," which bans foreign aid from being spent on abortions.
- "Kemp-Kasten Amendment," which prohibits funds to organizations the President determines to support coercive abortion or involuntary sterilization.

**U.N. Population Fund (UNFPA)**: The Omnibus specifically appropriates \$32.5 million for the UNFPA. However, the <u>State Department</u> has issued a determination that the United Nations Population Fund (UNFPA) is precluded from funding by the Kemp-Kasten amendment. Therefore the \$32.5 million appropriated for UNFPA is redirected to the "Global Health Programs Account" for other family planning, maternal and reproductive health activities.

**Private Email Servers**: The Omnibus includes a provision to prohibit funds to use private email accounts or servers.

**U.N. Arms Trade Treaty**: The Omnibus would prohibit funding to implement the UN Arms Trade Treaty unless ratified by the Senate.

**U.N. Human Rights Council**: Prohibit funding for the Human Rights Council unless the Secretary of State determines that it is in the national security interest and the Council stops its anti-Israel agenda.

**U.N. Accountability**: The Omnibus continues a current law provision to prohibit funds for UN organizations headed by countries that support terrorism, and withhold a portion of funds for the UN and international organizations until financial audits are fully accessible to the public and whistleblower protections are in place.

**Palestinian Authority**: The Omnibus would prohibit funding if there is a Palestinian government formed through an agreement with Hamas or if the Palestinians are not acting to counter incitement. The bill also includes a provision restricting Palestinians' representation in the U.S. if they initiate or actively support an International Criminal Court investigation against Israel.



**U.N. Debt Relief**: The Omnibus does not provide funds for U.N. debt relief.

**Assistance to Pakistan**: The Omnibus would withhold economic and security assistance unless the Government of Pakistan cooperates with the United States on counterterrorism efforts and other issues.

**UNESCO**: The Omnibus does not provide funds for the UN Educational, Scientific, and Cultural Organization (UNESCO).

# Division K: Transportation, Housing and Urban Development Appropriations Bill, 2017

The Omnibus would provide \$57.7 billion for this bill, a level that is \$350 million above the FY 2016 enacted level.

**TIGER Grants**: The Omnibus would fund TIGER Grants at \$500 million.

As described by the RSC budget, "TIGER Grants, also called the National Infrastructure Investment Program, were created by president [Obama]'s failed Stimulus law. The program is particularly problematic because projects are selected by the administration, often for political purposes (Democrat districts have received 69 percent of funding), and go towards projects that would be more appropriately funded by state or local governments. GAO has found problems with the funding decisions made by the administration under this program. The TIGER program is a remarkably poor investment, and Congress chose not to reauthorize it in the highway bill signed into law by President Obama in 2015."

President Trump has requested that Congress eliminate this program.

**Essential Air Service (EAS) (Payments to Air Carriers)**: The Omnibus would provide EAS with \$150 in discretionary funding. This program also receives mandatory funding.

<u>President Trump</u> has requested that Congress eliminate this wasteful program because "EAS flights are not full and have high subsidy costs per passenger. Several EAS-eligible communities are relatively close to major airports, and communities that have EAS could be served by other existing modes of transportation."

The RSC and House Republican budgets would also eliminate EAS.

**Federal Aviation Administration (FAA)**: The Omnibus would provide a total of \$16.4 billion in budgetary resources for the FAA.

**Federal Highway Administration (FHWA)**: The Omnibus would provide \$43.3 billion from the Highway trust Fund for the FHWA highway program.

**Amtrak**: The Omnibus would provide \$1.495 billion for Amtrak.

<u>President Trump</u> has requested that Congress eliminate federal funding for Amtrak's money-losing long distance service, which comprises \$1.2 billion of this funding.

The Omnibus continues a current law provision limiting Amtrak overtime to \$35,000 per employee.

Some conservatives may be concerned the fact that Amtrak loses millions each year on its food and beverage service, the Omnibus does not include a provision to prohibit the use of taxpayer funds to subsidize these loses.



Some conservatives may be further concerned that the bill does not prohibit funding for high speed rail.

**Mass Transit**: The Omnibus would provide \$9.7 billion from the Highway Trust Fund for mass transit.

**New Starts (Capital Investment Grants)**: The Omnibus would provide \$2.4 billion for the New Starts Capital Investment Grants program.

As described by the <u>RSC Budget</u>, "The New Starts Program, sometimes called Capital Investment Grants, provides billions in subsidies to local transit for capital improvements to fixed-guideway projects, including streetcars, subways, and dedicated bus lanes. Often these projects are inefficient and fail to reduce congestion. Because this program subsidizes new projects, it incentivizes transit agencies to build expensive projects without regard to cost, putting taxpayers on the hook for operating costs down the road and diverting funds from existing roads and other infrastructure."

<u>President Trump's budget</u> proposed to limit funding for this program to "projects with existing full funding grant agreements only. Future investments in new transit projects would be funded by the localities that use and benefit from these localized projects."

**Taxpayer Funding for the D.C. Metro**: The Omnibus would provide a direct appropriation of \$150 million to the D.C. Washington Metropolitan Area Transit Authority (WMATA).

As described by the <u>RSC Budget</u>, "The federal government should not be directly subsidizing the public transit system of one of the most affluent metropolitan areas in the U.S."

**Tenant-Based Rental Assistance Section 8 Housing**: The Omnibus would provide \$20.292 billion for Section 8 Public Housing, a level that is \$663 million above the FY 2016 enacted level.

**Public Housing Capital Fund**: The Omnibus would provide \$1.942 billion for the Capital Fund.

**Public Housing Operating Fund:** The Omnibus would provide \$4.4 billion for the Operating Fund.

**Community Development Block Grant (CDBG)**: The Omnibus would provide \$3 billion for the CDBG, which has been unauthorized since 1994.

<u>President Trump's budget</u> proposed to eliminate CDBG because "The Federal Government has spent over \$150 billion on this block grant since its inception in 1974, but the program is not well-targeted to the poorest populations and has not demonstrated results."

**Project Based Rental Assistance**: The Omnibus would provide \$10.816 billion for Project Based Rental Assistance, a level that is \$196 million above the FY 2016 enacted level.

**Affirmatively Furthering Fair Housing**: The Omnibus would prohibit the use of funds to implement the Obama administration's <u>Affirmatively Furthering Fair Housing</u> zoning rule.

**Emergency Relief**: The Omnibus would provide an additional \$528 million for the Emergency Relief program for highways. These funds are designated as for Emergency Relief purposes and are exempt from the Budget Control Act discretionary caps.

The Omnibus would also provide an additional \$400 million in emergency designated funds for Community Development Block Grant disaster recovery assistance.



# <u>Division L: Military Construction And Veterans Affairs - Additional Appropriations Act, 2017</u>

The Omnibus would provide \$248 million in OCO supplemental funding for military construction and an additional \$50 million for the Department of Veterans Affairs Veterans Health Administration for implementation of the Jason Simcakoski Memorial and Promise Act (Title IX of Public Law 114-198) and to bolster opioid and substance abuse prevention and treatment.

The full-year <u>FY 2017 Military Construction and Veterans Affairs Appropriations bill</u> was signed into law in September 2016.

#### **Division M: Other Matters**

The spending effects of provisions of Division M would be exempt from statutory PAYGO and from the calculation of any sequestration under Section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985. Some conservatives may be concerned that excluding the impact of these provisions from PAYGO and sequestration enforcement will result in higher total deficits.

#### Title I - Health Benefits for Miners Act of 2017

The Omnibus permanently extends health care coverage for retired coal miners who worked for certain coal mining companies that initiated bankruptcy proceedings in 2012 and 2015. A rider in the Consolidated Appropriations Act of 2016 allowed these retirees to participate, during CY2017, in a multiemployer plan that provides health benefits to the United Mine Workers of America (UMWA), but only provided enough funding to cover the expanded population through April 30. The omnibus would allow these retired coal miners to permanently participate in the multiemployer plan and authorize transfers of federal funds to the plan in order to support the additional benefit payments. Some conservatives may believe that the federal government should not backstop private retirement plans, and may be concerned that providing additional federal funds for the UMWA plan sets an alarming precedent of bailing out private retiree health funds that promised robust retirement benefits but irresponsibly underfunded contributions.

Title I would also reauthorize the Temporary Assistance to Needy Families (TANF) program through FY 2018 and would create a "What Works Clearinghouse" to catalogue different projects that have been tried and evaluated for moving welfare recipients into work. Similar <u>legislation</u> passed the House in the 114th Congress.

The bill would also provide \$20 million for the Court Improvement Program for FY 2017, which provides state courts with specialized training and support for handling child welfare cases.

In order to offset the costs of bailing out the miners' retirement health plan, this title would extend the diversion of certain Customs User Fees from September 30, 2025 to January 14, 2026.

# Title II - Puerto Rico Section 1108(g) Amendment of 2017

Under longstanding Medicaid law, the federal government reimburses states for a set percentage of Medicaid expenditures with no cap or limit in the 50 states and District of Columbia. In all five territories, the Medicaid program is further subject to an annual cap on federal financing.



The Affordable Care Act (ACA) increased the federal share of territories' Medicaid expenditures from 50 to 55 percent, and increased the cap on federal financing by \$5.5 billion between July 1, 2011 and September 30, 2019. Additionally, the ACA provided \$925 million that Puerto Rico could choose to use to either establish a health insurance exchange or support its Medicaid program. Puerto Rico did not establish an Exchange, and thus received an increase to its Medicaid funding. While this infusion of federal funds was intended to support Puerto Rico's Medicaid program until the end of FY2019, the territory is now projected to exhaust those funds by the end of FY2017.

The Omnibus provides an additional \$295.9 million to temporarily bail out Puerto Rico's Medicaid program, offset by rescinding funding for the territories to establish Exchanges. Some conservatives may be concerned that this additional supplemental Medicaid funding does nothing to structurally reform Puerto Rico's Medicaid program to better serve beneficiaries while meeting goals of fiscal responsibility, and is not truly offset given that the territories opted not to establish Exchanges and instead opted for increased Medicaid funding. Moreover, conservatives may be concerned by <a href="newsreports">news reports</a> that indicate the Governor of Puerto Rico hopes Congress will provide an additional \$300 million to support Puerto Rico's Medicaid program in FY18 as part of a Children's Health Insurance Program (CHIP) reauthorization which may be considered in September.

# **Division N: Intelligence Authorization Act for Fiscal Year 2017**

The rule providing for consideration of the bill includes a self-executing amendment inserting the Intelligence Authorization Act for FY 2017 as Division N. The majority of provisions of this division are contained in the classified annex, available for Members through the House Permanent Select Committee on Intelligence.

# Division O: Senate Amendment to H.R. 244 - the HIRE Vets Act

Division O contains the Senate amendment to H.R. 244, which would strike House language authorizing the lawful display of a HIRE Vets medallion. The bill, as amended, would only prohibit unlawful display, thus still allowing valid recipients to display the award. The RSC bulletin for H.R. 244 is available <a href="https://example.com/here">here</a>.

#### **OUTSIDE GROUPS:**

Key Vote No

- FreedomWorks
- Heritage Action

Heritage Foundation: <u>Massive Spending Bill Fails to Meet Conservative Priorities</u>

# **COMMITTEE ACTION:**

H.R. 244 was originally introduced on January 4, 2017, as the Honoring Investments in Recruiting and Employing American Military Veterans Act of 2017. The bill passed the House on February 13, 2017, by a



<u>409 - 1</u> vote. The bill was then passed by the Senate with an amendment by unanimous consent on March 21, 2017.

The House Amendment to the Senate Amendment was made publicly available on docs.house.gov at 2:18 am on May 1, 2017.

In the 114<sup>th</sup> Congress, the House considered 6 of the 12 regular FY 2017 appropriations bills and passed 5. The Senate passed 3 appropriations bills. Senate Democrats <u>filibustered</u> the FY 2017 Defense Appropriations bill, stopping the appropriations process even after a <u>promise</u> from then-Senate Minority Leader Reid of a return to regular order. In the 115<sup>th</sup> Congress, the House passed the <u>Fiscal Year 2017 Defense Appropriations Bill.</u> . To prevent lapses in appropriations, two FY 2017 CRs have been enacted. <u>H.R. 5325</u>, <u>the Fiscal Year 2017 Continuing Resolution</u> funded government from October 1, 2016, to December 8 and included the full-year <u>FY 2017 Military Construction and Veterans Affairs Appropriations bill.</u> <u>H.R. 2028</u>, <u>the Further Continuing and Security Assistance Appropriations Act</u>, <u>2017</u> provided continuing appropriations through April 28, 2017.

After the election, <u>many conservatives</u> fought to extend government funding through the lame-duck period and into early 2017. Conservatives advocated for this strategy not only to prevent another bad budget deal with the outgoing Obama administration, but more importantly, so that the Republican majorities in the House and Senate can work cooperatively with a Republican president to reshape the government early in the new administration.

On March 16, 2017, the president submitted a FY 2017 <u>supplemental appropriations request</u> to increase funding for the Department of Defense by \$30 billion and the Department of Homeland Security by \$3 billion, while <u>decreasing Non-Defense</u> spending by \$15 billion.

A more complete history of the FY 2017 appropriations process can be found in the <u>RSC's Legislative Look Ahead – FY 2017 Appropriations</u>.

# **ADMINISTRATION POSITION:**

According to the <u>Statement of Administration Policy</u>, "If the Consolidated Appropriations Act, 2017 were presented to the President in its current form, his advisors would recommend that he sign the bill into law." The SAP continues:

"The Administration appreciates the bill's provision of much-needed funding for our military, including approximately \$21 billion of the requested \$30 billion additional in appropriations that the President submitted to the Congress in March 2017... While the Administration will continue to push for additional funding to stop human and drug trafficking, interdict violent gangs and cartels, and support other enforcement priorities, the bill is a good first step, and does make available an additional \$1.5 billion for the Department of Homeland Security...

"The Administration is also concerned that the Congress did not exercise fiscal restraint, as it failed to include responsible reductions to non-defense discretionary spending to offset higher spending elsewhere.

"The Administration is also disappointed that this bill provides almost \$300 million for Puerto Rico's Medicaid program without underlying reforms to Puerto Rico's struggling healthcare system, which, like so many aspects of the United States healthcare system, has been badly damaged by the Patient Protection and Affordable Care Act...

"The Administration strongly supports the inclusion of the District of Columbia Scholarships for Opportunity and Results (SOAR) Reauthorization Act, which delivers on the President's promise to provide school choice. The Administration also supports the various provisions in the bill that continue protections for the sanctity of life and the Second Amendment."

# **CONSTITUTIONAL AUTHORITY:**

The original Constitutional authority statement for H.R. 244 was: "Congress has the power to enact this legislation pursuant to the following: Article 1 Section 8". No specific enumerating clause was cited.

**NOTE**: RSC Legislative Bulletins are for informational purposes only and should not be taken as statements of support or opposition from the Republican Study Committee.

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